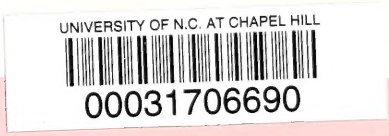
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STATE OF NORTH CAROLINA

SESSION LAWS AND RESOLUTIONS

PASSED BY THE

1987 GENERAL ASSEMBLY

AT ITS

FIRST SESSION 1987

BEGINNING ON

MONDAY, THE NINTH DAY OF FEBRUARY, A.D. 1987

HELD IN THE CITY OF RALEIGH

ISSUED BY
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SESSION LAWS
OF THE
STATE OF NORTH CAROLINA

FIRST SESSION 1987

H.B. 670 CHAPTER 727

AN ACT TO AMEND THE PREMIUM TAX STATUTE FOR RISK RETENTION GROUPS; TO PROVIDE AN ORDERLY PROCEDURE FOR THE PAYMENT OF PREMIUM TAXES ON INSURANCE PROVIDED TO PURCHASING GROUPS; TO PROVIDE FOR MORE ADEQUATE INFORMATION ABOUT REGULATION OF RISK RETENTION AND PURCHASING GROUPS TO BE GIVEN TO THEIR MEMBERS; TO REWRITE THE SURPLUS LINES PREMIUM TAX EXEMPTION; AND TO REINSTATE THE PROCEDURES FOR AND PREMIUM TAX ON INDEPENDENTLY PROCURED INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-508 is amended by adding the following subdivision:

"(c) Taxation.

(1) All premiums paid for coverages within this State to risk retention groups shall be subject to taxation at the same rate and subject to the same payment procedures and to the same interest, fines, and penalties for nonpayment as those applicable to surplus lines insurance under Article 36 of this Chapter.

(2) To the extent agents or brokers are utilized, they shall report and pay the taxes for the premiums for risks that they have placed with or on behalf of a risk retention group not chartered in this State.

(3) To the extent agents or brokers are not utilized or fail to pay the tax, each risk retention group shall pay the tax for risks insured within the State. Each risk retention group shall report to the Commissioner all premiums paid to it for risks insured within the State."

Sec. 2. G.S. 58-437(c) is rewritten to read:

"(c) This section does not apply to risks of State government agencies nor to risks of local government risk pools created and operating under Article 39 of this Chapter."

Sec. 3. G.S. 58-437 is amended by adding a new subsection to read:

"(d) The surplus lines licensee placing the insurance and claiming the exemption in subsection (c) of this section shall affirmatively show in writing to the Commissioner that the risk qualifies for the exemption."

Sec. 4. G.S. 58-54.21(6) is rewritten to read:

"(6) The procuring of contracts of insurance issued to a nuclear insured;

(7) Insurance independently procured, as specified in subsection (b) of this section."

Sec. 5. G.S. 58-54.21 is amended by designating the first paragraph as subsection (a), by deleting the second paragraph, which begins with "For the purposes", and by adding a new subsection (b) to read:

"(b) Any person in this State may directly procure or directly renew insurance with an unlicensed insurer without the involvement of an agent, broker, or surplus lines licensee, on a risk located or to be performed, in whole or in part, in this State, other than insurance procured or renewed pursuant to subsections (a)(1) through (a)(6) of this section. Any such person shall, within 30 days after the date the insurance is procured or renewed, file a written report with the Commissioner on forms prescribed by the Commissioner. The report must contain the name and address of the insured; name and address of the insurer; the subject of insurance; a general description of the coverage; the amount of premium currently charged; and such additional information as requested by the Commissioner. The report must also contain an affidavit of the insured that states that the full amount or kind of insurance cannot be obtained from insurers that are admitted to do business in this State; and that the insured has made a diligent search among the insurers that are admitted to transact and are actually writing the particular kind and class of insurance in this State. Gross premiums charged for such insurance, less any return premiums, are subject to a tax at the rate of five percent (5%). At the time of filing the report required by this subsection, the insured shall pay the tax to the Commissioner. The Commissioner has the powers specified in G.S. 58-438 with respect to the tax levied by this subsection."

Sec. 6. G.S. 58-422(8) is amended by inserting "pursuant to G.S. 58-54.21" immediately after "procured".

Sec. 7. G.S. 58-40.5 is amended by inserting the following at the end immediately before the period: "or purchased according to G.S. 58-54.21 or Article 36 of this Chapter".

Sec. 8. G.S. 58-44.8 is amended by inserting "G.S. 58-54.21 or in" between "provided in" and "Article 36".

Sec. 9. G.S. 58-511 is amended by designating the present section as subsection (a) and by adding a subsection (b) to read:

"(b) Taxes on premiums paid for coverage of risks resident or located in this State by a purchasing group or any members of the purchasing group shall be:

(1) Imposed at the same rate and subject to the same interest, fines, and penalties as those applicable to premium taxes on similar coverage from a similar insurance source by other insureds; and

(2) Paid first by such insurance source, and if not by such source then by the agent or broker for the purchasing group, and if not by such agent or broker then by the purchasing group, and if not by such group then by each of its members."

Sec. 10. G.S. 58-512(a) is amended by deleting "and" following subdivision (4), by substituting "; and" for the period following subdivision (5), and by adding a new subdivision (6) to read:

"(6) specify the method by which and the person or persons, if any, through whom insurance will be offered to its members whose risks are resident or located in this State; and furnish such information as may be required by the Commissioner to determine the appropriate premium tax treatment."

Sec. 11. G.S. 58-513 is amended by designating the present text as subsection (a) and by adding the following subsections to read:

"(b) A purchasing group that obtains liability insurance from a nonadmitted insurer or from a risk retention group shall provide each member of the purchasing group that has a risk resident or located in this State with the notice specified in G.S. 58-429(f) or G.S. 58-508(7), whichever is applicable.

(c) No purchasing group may purchase insurance that provides for a deductible or for a self-insured retention applicable to the group as a whole; provided, however, that coverage may provide for a deductible or for self-insured retention applicable to members of the group."

Sec. 12. G.S. 58-508(7) is amended by rewriting the text of the notice provision to read:

"NOTICE

This policy is issued by your risk retention group. Your risk retention group is not subject to all of the insurance laws and regulations of your state. In the event of the insolvency of your risk retention group, losses under this policy will not be paid by any insurance insolvency or guaranty fund in this State."

Sec. 13. G.S. 58-507 is amended in the first sentence by substituting "under Article 6 of" for "authorized by".

Sec. 14. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of August, 1987.

H.B. 137 **CHAPTER 728**

AN ACT TO AMEND THE STATUTES RELATING TO PROFESSIONAL BAIL BONDSMEN AND RUNNERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 85C-11 is amended in subdivision (4) by deleting the period at the end and substituting a semicolon and by adding a new subdivision (5) to read:

"(5) has no outstanding bail bond obligations."

Sec. 2. G.S. 85C-14 is amended by adding a new subdivision (3) to read:

"(3) That the applicant has disclosed whether he has ever been licensed as a professional bondsman or runner. If the applicant has ever been licensed as a professional bondsman, he shall list all outstanding bail bond obligations. If the applicant has ever been licensed as a runner, he shall list all prior employment as such, indicating the name of each bail bondsman by whom he has been employed and the reason or reasons for the termination of the employment."

Sec. 3. G.S. 85C-36 is amended in the first line by inserting immediately after the words "bail bond" the words "or bonds for any one individual pertaining to any charges arising out of one transaction or related transactions".

Sec. 4. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 5th day of August, 1987.

S.B. 172 **CHAPTER 729**

AN ACT TO AMEND THE WORKERS' COMPENSATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 97-2(1) reads as rewritten:

"(1) Employment. The term 'employment' includes employment by the State and all political subdivisions thereof, and all public and quasi-public corporations therein and all private employments in which ~~four~~ three or more employees are regularly employed in the same business or establishment or in which one or more employees are employed in activities which involve the use or presence of radiation,

except agriculture and domestic services, unless 10 or more full-time nonseasonal agricultural workers are regularly employed by the employer and an individual sawmill and logging operator with less than 10 employees, who saws and logs less than 60 days in any six consecutive months and whose principal business is unrelated to sawmilling or logging."

Sec. 2. G.S. 97-2(18) reads as rewritten:

"(18) Hernia. In all claims for compensation for hernia or rupture, resulting from injury by accident arising out of and in the course of the employee's employment, it must be definitely proven to the satisfaction of the Industrial Commission:

a. That there was an injury resulting in hernia or rupture.
b. That the hernia or rupture appeared suddenly.
~~c. That it was accompanied by pain.~~
d. That the hernia or rupture immediately followed an accident. Provided, however, a hernia shall be compensable under this Article if it arises out of and in the course of the employment and is the direct result of a specific traumatic incident of the work assigned.
e. That the hernia or rupture did not exist prior to the accident for which compensation is claimed.

All hernia or rupture, inguinal, femoral or otherwise, so proven to be the result of an injury by accident arising out of and in the course of employment, shall be treated in a surgical manner by a radical operation. If death results from such operation, the death shall be considered as a result of the injury, and compensation paid in accordance with the provisions of G.S. 97-38. In nonfatal cases, if it is shown by special examination, as provided in G.S. 97-27, that the injured employee has a disability resulting after the operation, compensation for such disability shall be paid in accordance with the provisions of this Article.

In case the injured employee refuses to undergo the radical operation for the cure of said hernia or rupture, no compensation will be allowed during the time such refusal continues. If, however, it is shown that the employee has some chronic disease, or is otherwise in such physical condition that the Commission considers it unsafe for the employee to undergo said operation, the employee shall be paid compensation in accordance with the provisions of this Article."

Sec. 3. G.S. 97-13(b) reads as rewritten:

"(b) Casual Employment, Domestic Servants, Farm Laborers, Federal Government, Employer of Less than ~~Four~~ Three Employees. This Article shall not apply to casual employees, farm laborers when fewer than 10 full-time nonseasonal farm laborers are regularly

employed by the same employer, federal government employees in North Carolina, and domestic servants, nor to employees of such persons, nor to any person, firm or private corporation that has regularly in service less than ~~four~~ three employees in the same business within this State, except that any employer without regard to number of employees, including an employer of domestic servants, farm laborers, or one who previously had exempted himself, who has purchased workers' compensation insurance to cover his compensation liability shall be conclusively presumed during life of the policy to have accepted the provisions of this Article from the effective date of said policy and his employees shall be so bound unless waived as provided in this Article; provided however, that this Article shall apply to all employers of one or more employees who are employed in activities which involve the use or presence of radiation."

Sec. 4. G.S. 97-19 reads as rewritten:

"*§ 97-19. Liability of principal contractors; certificate that subcontractor has complied with law; right to recover compensation of those who would have been liable; order of liability.*--Any principal contractor, intermediate contractor, or subcontractor who shall sublet any contract for the performance of any work without requiring from such subcontractor or obtaining from the Industrial Commission a certificate, issued by the Industrial Commission, stating that such subcontractor has complied with G.S. 97-93 hereof, shall be liable, irrespective of whether such subcontractor has regularly in service less than four employees in the same business within this State, to the same extent as such subcontractor would be if he were subject to the provisions of this Article for the payment of compensation and other benefits under this Article on account of the injury or death of any such subcontractor, any principal or partner of such subcontractor or any employee of such subcontractor due to an accident arising out of and in the course of the performance of the work covered by such subcontract. If the principal contractor, intermediate contractor or subcontractor shall obtain such certificate at the time of subletting such contract to subcontractor, he shall not thereafter be held liable to any such subcontractor, any principal or partner of such subcontractor, or any employee of such subcontractor for compensation or other benefits under this Article. The Industrial Commission, upon demand shall furnish such certificate, and may charge therefor the cost thereof, not to exceed twenty-five cents (25¢).

Any principal contractor, intermediate contractor, or subcontractor paying compensation or other benefits under this Article, under the foregoing provisions of this section, may recover the amount so paid from any person, persons, or corporation who independently of such

provision, would have been liable for the payment thereof.

Every claim filed with the Industrial Commission under this section shall be instituted against all parties liable for payment, and said Commission, in its award, shall fix the order in which said parties shall be exhausted, beginning with the immediate employer.

The principal or owner may insure any or all of his contractors and their employees in a blanket policy, and when so insured such contractor's employees will be entitled to compensation benefits regardless of whether the relationship of employer and employee exists between the principal and the contractor."

Sec. 5. G.S. 97-28 reads as rewritten:

"§ *97-28. Seven-day waiting period; exceptions.*--No compensation, as defined in G.S. 97-2(11), shall be allowed for the first seven calendar days of disability resulting from an injury, except the benefits provided for in G.S. 97-25. Provided however, that in the case the injury results in disability of more than ~~28~~ 21 days, the compensation shall be allowed from the date of the disability. Nothing in this section shall prevent an employer from allowing an employee to use paid sick leave, vacation or annual leave, or disability benefits provided directly by the employer during the first seven calendar days of disability. (1929, c. 120, s. 28; 1983, c. 599.)"

Sec. 6. G.S. 97-29 reads as rewritten:

"§ *97-29. Compensation rates for total incapacity.*--Except as hereinafter otherwise provided, where the incapacity for work resulting from the injury is total, the employer shall pay or cause to be paid, as hereinafter provided, to the injured employee during such total disability a weekly compensation equal to sixty-six and two-thirds percent (66 2/3%) of his average weekly wages, but not more than the amount established annually to be effective October 1 as provided herein, nor less than thirty dollars ($30.00) per week.

In cases of total and permanent disability, compensation, including reasonable and necessary nursing services, medicines, sick travel, medical, hospital, and other treatment or care of rehabilitative services shall be paid for by the employer during the lifetime of the injured employee. If death results from the injury then the employer shall pay compensation in accordance with the provisions of G.S. 97-38.

The weekly compensation payment for members of the North Carolina national guard and the North Carolina State guard shall be the maximum amount established annually in accordance with the last paragraph of this section per week as fixed herein. The weekly

compensation payment for deputy sheriffs, or those acting in the capacity of deputy sheriffs, who serve upon a fee basis, shall be thirty dollars ($30.00) a week as fixed herein.

An officer or member of the State Highway Patrol shall not be awarded any weekly compensation under the provisions of this section for the first two years of any incapacity resulting from an injury by accident arising out of and in the course of the performance by him of his official duties if, during such incapacity, he continues to be an officer or member of the State Highway Patrol, but he shall be awarded any other benefits to which he may be entitled under the provisions of this Article.

Notwithstanding any other provision of this Article, beginning August 1, 1975, and on July 1 of each year thereafter, a maximum weekly benefit amount shall be computed. The amount of this maximum weekly benefit shall be derived by obtaining the average weekly insured wage in accordance with G.S. 96-8(22), by multiplying such average weekly insured wage by 1.10, and by rounding such figure to its nearest multiple of two dollars ($2.00), and this said maximum weekly benefit shall be applicable to all injuries and claims arising on and after January 1 following such computation. Such maximum weekly benefit shall apply to all provisions of this Chapter effective August 1, 1975, and shall be adjusted July 1 and effective January 1 of each year thereafter as herein provided."

Sec. 7. G.S. 97-31(21) reads as rewritten:

"(21) In case of serious facial or head disfigurement, the Industrial Commission shall award proper and equitable compensation not to exceed ~~ten thousand dollars ($10,000)~~ twenty thousand dollars ($20,000). In case of enucleation where an artificial eye cannot be fitted and used, the Industrial Commission may award compensation as for serious facial disfigurement."

Sec. 8. G.S. 97-31(24) reads as rewritten:

"(24) In case of the loss of or permanent injury to any important external or internal organ or part of the body for which no compensation is payable under any other subdivision of this section, the Industrial Commission may award proper and equitable compensation not to exceed ~~ten thousand dollars ($10,000)~~ twenty thousand dollars ($20,000)."

Sec. 9. G.S. 97-38 reads as rewritten:

"*§ 97-38. Where death results proximately from ~~the accident~~ compensable injury or occupational disease; dependents; burial expenses; compensation to aliens; election by partial dependents.*--If death results proximately from ~~the accident and within two years thereafter, or while total disability still continues and within six years after the~~

~~accident, or while total disability still continues and within two years of the final determination of total disability, whichever is later,~~ a compensable injury or occupational disease and within six years thereafter, or within two years of the final determination of disability, whichever is later, the employer shall pay or cause to be paid, subject to the provisions of other sections of this Article, weekly payments of compensation equal to sixty-six and two-thirds percent (66 2/3%) of the average weekly wages of the deceased employee at the time of the accident, but not more than the amount established annually to be effective October 1 as provided in G.S. 97-29, nor less than thirty dollars ($30.00), per week, and burial expenses not exceeding ~~one thousand dollars ($1,000)~~ two thousand dollars ($2,000), to the person or persons entitled thereto as follows:

(1) Persons wholly dependent for support upon the earnings of the deceased employee at the time of the accident shall be entitled to receive the entire compensation payable share and share alike to the exclusion of all other persons. If there be only one person wholly dependent, then that person shall receive the entire compensation payable.

(2) If there is no person wholly dependent, then any person partially dependent for support upon the earnings of the deceased employee at the time of the accident shall be entitled to receive a weekly payment of compensation computed as hereinabove provided, but such weekly payment shall be the same proportion of the weekly compensation provided for a whole dependent as the amount annually contributed by the deceased employee to the support of such partial dependent bears to the annual earnings of the deceased at the time of the accident.

(3) If there is no person wholly dependent, and the person or all persons partially dependent is or are within the classes of persons defined as 'next of kin' in G.S. 97-40, whether or not such persons or such classes of persons are of kin to the deceased employee in equal degree, and all so elect, he or they may take, share and share alike, the commuted value of the amount provided for whole dependents in (1) above instead of the proportional payment provided for partial dependents in (2) above; provided, that the election herein provided may be exercised on behalf of any infant partial dependent by a duly qualified guardian; provided, further, that the Industrial Commission may, in its discretion, permit a parent or person standing *in loco parentis* to such infant to exercise such option in its behalf, the award to be payable only to a duly qualified guardian except as in this Article otherwise provided; and provided, further, that if such election

is exercised by or on behalf of more than one person, then they shall take the commuted amount in equal shares.

When weekly payments have been made to an injured employee before his death, the compensation to dependents shall begin from the date of the last of such payments. Compensation payments due on account of death shall be paid for a period of 400 weeks from the date of the death of the employee; provided, however, after said 400-week period in case of a widow or widower who is unable to support herself or himself because of physical or mental disability as of the date of death of the employee, compensation payments shall continue during her or his lifetime or until remarriage and compensation payments due a dependent child shall be continued until such child reaches the age of 18.

Compensation payable under this Article to aliens not residents (or about to become nonresidents) of the United States or Canada, shall be the same in amount as provided for residents, except that dependents in any foreign country except Canada shall be limited to surviving wife and child or children, or if there be no surviving wife or child or children, to the surviving father or mother whom the employee has supported, either in whole or in part, for a period of one year prior to the date of the injury; provided, that the Commission may, in its discretion, or, upon application of the employer or insurance carrier shall commute all future installments of compensation to be paid to such aliens to their present value and payment of one half of such commuted amount to such aliens shall fully acquit the employer and the insurance carrier.

Sec. 10. G.S. 97-40 reads as rewritten:

"*§ 97-40. Commutation and payment of compensation in absence of dependents; 'next of kin' defined; commutation and distribution of compensation to partially dependent next of kin; payment in absence of both dependents and next of kin.*--Subject to the provisions of G.S. 97-38, if the deceased employee leaves neither whole nor partial dependents, then the compensation which would be payable under G.S. 97-38 to whole dependents shall be commuted to its present value and paid in a lump sum to the next of kin as herein defined. For purposes of this section and G.S. 97-38, 'next of kin' shall include only child, father, mother, brother or sister of the deceased employee, including adult children or adult brothers or adult sisters of the deceased, but excluding a parent who has willfully abandoned the care and maintenance of his or her child and who has not resumed its care and maintenance at least one year prior to the first occurring of the majority or death of the child and continued its care and maintenance until its death or majority. For all such next of kin who are neither

wholly nor partially dependent upon the deceased employee and who take under this section, the order of priority among them shall be governed by the general law applicable to the distribution of the personal estate of persons dying intestate. In the event of exclusion of a parent based on abandonment, the claim for compensation benefits shall be treated as though the abandoning parent had predeceased the employee. For all such next of kin who were also partially dependent on the deceased employee but who exercise the election provided for partial dependents by G.S. 97-38, the general law applicable to the distribution of the personal estate of persons dying intestate shall not apply and such person or persons upon the exercise of such election, shall be entitled, share and share alike, to the compensation provided in G.S. 97-38 for whole dependents commuted to its present value and paid in a lump sum.

If the deceased employee leaves neither whole dependents, partial dependents, nor next of kin as hereinabove defined, then no compensation shall be due or payable on account of the death of the deceased employee, except that the employer shall pay or cause to be paid the burial expenses of the deceased employee not exceeding ~~one thousand dollars ($1,000)~~ two thousand dollars ($2,000) to the person or persons entitled thereto."

Sec. 11. G.S. 97-53(28)e. reads as rewritten:

"e. In the evaluation of occupational hearing loss, only the hearing levels at the frequencies of 500, 1,000 ~~and 2,000~~, 2,000, and 3,000 cycles per second shall be considered. Hearing losses for frequencies below 500 and above ~~2,000~~ 3,000 cycles per second are not to be considered as constituting compensable hearing disability."

Sec. 12. G.S. 97-53(23)g. reads as rewritten:

"g. The percentage of hearing loss shall be calculated as the average, in decibels, of the thresholds of hearing for the frequencies of ~~500, 1,000 and 2,000~~ 500, 1,000, 2,000, and 3,000 cycles per second. Pure tone air conduction audiometric instruments, properly calibrated according to accepted national standards such as American Standards Association, Inc., (ASA), International Standards Organization (ISO), or American National Standards Institute, Inc., (ANSI), shall be used for measuring hearing loss. If more than one audiogram is taken, the audiogram having the lowest threshold will be used to calculate occupational hearing loss. If the losses of hearing average 15 decibels (26 db if ANSI or ISO) or less in the three frequencies, such losses of hearing shall not constitute any compensable hearing disability. If the losses of hearing average 82 decibels (93 db if ANSI or ISO) or more in the three frequencies, then the same shall constitute and be total or one hundred percent

(100%) compensable hearing loss. In measuring hearing impairment, the lowest measured losses in each of the three frequencies shall be added together and divided by three to determine the average decibel loss. For each decibel of loss exceeding 15 decibels (26 db if ANSI or ISO) an allowance of one and one-half percent (1 1/2%) shall be made up to the maximum of one hundred percent (100%) which is reached at 82 decibels (93 db if ANSI or ISO). In determining the binaural percentage of loss, the percentage of impairment in the better ear shall be multiplied by five. The resulting figure shall be added to the percentage of impairment in the poorer ear, and the sum of the two divided by six. The final percentage shall represent the binaural hearing impairment."

Sec. 13. G.S. 97-58 reads as rewritten:

"§ *97-58. ~~Claims for certain diseases restricted;~~ Time limit for filing claims.*--~~(a) Except as otherwise provided in G.S. 97-61.6, an employer shall not be liable for any compensation for asbestosis unless disablement or death results within 10 years after the last exposure to that disease, or, in case of death, unless death follows continuous disablement from such disease, commencing within the period of 10 years limited herein, and for which compensation has been paid or awarded or timely claim made. An employer shall not be liable for any compensation for lead poisoning unless disablement or death results within two years after the last exposure to that disease, or, in case of death, unless death follows continuous disablement from such disease, commencing within the period of two years limited herein, and for which compensation has been paid or awarded or timely claim made.~~

(b) The report and notice to the employer as required by G.S. 97-22 shall apply in all cases of occupational disease except in case of asbestosis, silicosis, or lead poisoning. The time of notice of an occupational disease shall run from the date that the employee has been advised by competent medical authority that he has same.

(c) The right to compensation for occupational disease shall be barred unless a claim be filed with the Industrial Commission within two years after death, disability, or disablement as the case may be. Provided, however, that the right to compensation for radiation injury, disability or death shall be barred unless a claim is filed within two years after the date upon which the employee first suffered incapacity from the exposure to radiation and either knew or in the exercise of reasonable diligence should have known that the occupational disease was caused by his present or prior employment."

Sec. 14. G.S. 97-66 reads as rewritten:

"§ *97-66. Claim where benefits are discontinued.*--Where compensation payments have been made and discontinued, and further compensation is claimed, ~~whether for disablement, disability or death from lead poisoning,~~ the claim for further compensation shall be made within two years after the last payment~~, but in all other cases of occupational disease claims for further compensation shall be made within one year after the last payment,~~ in all cases of occupational disease, provided, that claims for further compensation for asbestosis or silicosis shall be governed by the final award as set forth in G.S. 97-61.6."

Sec. 15. G.S. 97-84 reads as rewritten:

"§ *97-84. Determination of disputes by Commission or deputy.*--The Commission or any of its members shall hear the parties at issue and their representatives and witnesses, and shall determine the dispute in a summary manner. The award, together with a statement of the findings of fact, rulings of law, and other matters pertinent to the questions at issue shall be filed with the record of the proceedings, within 180 days of the close of the hearing record unless time is extended for good cause by the Commission, and a copy of the award shall immediately be sent to the parties in dispute. The parties may be heard by a deputy, in which event the hearing shall be conducted in the same way and manner prescribed for hearings which are conducted by a member of the Industrial Commission, and said deputy shall proceed to a complete determination of the matters in dispute, file his written opinion within 180 days of the close of the hearing record unless time is extended for good cause by the Commission, and the deputy shall cause to be issued an award pursuant to such determination."

Sec. 16. G.S. 97-86.2 reads as rewritten:

"§ *97-86.2. Interest on awards after hearing.*--In any workers' compensation case in which an order is issued either granting or denying an award to the employee and where there is an appeal resulting in an ultimate award to the employee, the insurance carrier or employer shall pay interest on the final award or unpaid portion thereof from the date of the ~~original order, which granted or denied the award,~~ initial hearing on the claim, until paid at the legal rate of interest provided in G.S. 24-1. If interest is paid it shall not be a part of, or in any way increase attorneys' fees, but shall be paid in full to the claimant."

Sec. 17. G.S. 97-94 reads as rewritten:

"§ *97-94. Employers required to give proof within 30 days that they have complied with preceding section; fine for not keeping liability insured; review; liability for compensation; failure to secure payment of*

compensation a misdemeanor.--(a) Every employer subject to the compensation provisions of this Article shall, within 30 days, after this Article takes effect, file with the Industrial Commission, in form prescribed by it, and thereafter, annually or as often as may be necessary, evidence of his compliance with the provisions of G.S. 97-93 and all others relating thereto.

(b) Any employer required to secure the payment of compensation under this Article who refuses or neglects to secure such compensation shall be punished by a fine of ~~ten cents (10¢)~~ one dollar ($1.00) for each employee, but not less than ~~one dollar ($1.00)~~ fifty dollars ($50.00) nor more than ~~fifty dollars ($50.00)~~ one hundred dollars ($100) for each day of such refusal or neglect, and until the same ceases; and he shall be liable during continuance of such refusal or neglect to an employee either for compensation under this Article or at law ~~in the same manner as provided in G.S. 97-14~~ at the election of the injured employee.

The fine herein provided may be assessed by the ~~Commissioner of Insurance~~ Industrial Commission in an open hearing, with the right of review and appeal as in other cases. Enforcement of the fine shall be made by the Office of the Attorney General.

(c) Any employer required to secure the payment of compensation under this Article who willfully refuses or neglects to secure such compensation shall be guilty of a misdemeanor and upon conviction shall be fined or imprisoned, or both, in the discretion of the court."

Sec. 18. Sections 1, 3, and 5 of this act shall become effective October 1, 1987. Sections 2, 4, 7, 8, 10, 11, 12, 13, 14, 15, and 17 of this act are effective upon ratification. Section 6 of this act shall become effective August 1, 1987, and shall apply to all accidents occurring on or after January 1, 1988. Section 9 of this act is effective with respect to all death claims arising on or after the date of ratification. Section 16 of this act shall become effective with respect to claims filed on or after the date of ratification.

In the General Assembly read three times and ratified this the 5th day of August, 1987.

S.B. 384 **CHAPTER 730**

AN ACT TO REPEAL THE CHARTER OF THE INACTIVE TOWN OF GOLD POINT, TO AUTHORIZE THE TOWN COUNCIL OF THE TOWN OF TARBORO TO EXTEND THE MAXIMUM PERIOD OF ABEYANCE TO NOT MORE THAN TWENTY YEARS FROM THE DATE OF CONFIRMATION OF THE ASSESSMENT ROLL, AND TO AMEND THE CHARTER OF THE TOWN OF ELKIN CONCERNING MAINTENANCE OF SIDEWALKS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 1108, Session Laws of 1957, being the Charter of the Town of Gold Point, is repealed.

Sec. 2. (a) G.S. 160A-237 is amended by adding the following to the first paragraph:

"The foregoing notwithstanding, the Town Council, upon a finding, based on circumstances and evidence satisfactory to itself, that it is likely or probable that assessed property on which assessments levied under this Article for water or sewer improvements are to be held in abeyance will or may not be improved and connected to the water or sewer system within 10 years from the date of confirmation of the assessment roll, may extend the period of abeyance for said assessed property until improvements on said assessed property are actually connected to the water or sewer system for which the assessment was levied, or a date certain not more than 20 years from the date of confirmation of the assessment roll, whichever event first occurs. The Town Council shall have the authority to make such finding and extend said period of abeyance for assessed property on assessment rolls for water or sewer improvements heretofore or hereafter adopted and confirmed."

(b) This section shall apply only to the Town of Tarboro.

Sec. 3. The Charter of the Town of Elkin, as revised and consolidated by the 1987 General Assembly, is amended by adding a new Section to read:

"Sec. 5.5. Maintenance of Certain Sidewalks. (a) Owners of property adjacent to the sidewalks in the following areas in the Town of Elkin shall be responsible for maintenance of those sidewalks:

(1) South Bridge Street from Yadkin River to Main Street;

(2) North Bridge Street from Main Street to Spring Street;

(3) Market Street from Church Street to East Main Street;

(4) Main Street from Big Elkin Creek to Millview Road;

(5) Court Street from Main Street to Market Street; and

(6) Church Street from Main Street to Market Street.

(b) Nothing in this section shall prejudice any other rights the Town of Elkin has to require property owners to construct, maintain, repair, or pay the Town of Elkin the cost incurred by it for the construction, maintenance or repair of sidewalks adjacent to their property."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

S.B. 466 CHAPTER 731

AN ACT TO EXTEND THE SUNSET PROVISION IN THE RISK SHARING PLAN ACT OF 1986.

The General Assembly of North Carolina enacts:

Section 1. Section 13 of Chapter 7 of the Session Laws of the Extra Session 1986 reads as rewritten:

"Sec. 13. This act is effective upon ratification~~ and shall expire on June 30, 1988~~. Within 30 days after the effective date of this act the boards of directors of the FAIR Plan and the Beach Plan shall each submit a revised plan of operation for approval by the Commissioner in accordance with G.S. 58-173.21(b) and G.S. 58-173.7, respectively."

Sec. 2. Article 37 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ *58-461. Expiration.*--This Article shall expire on July 1, 1989."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

S.B. 623 CHAPTER 732

AN ACT TO AMEND THE CHARTER OF THE CITY OF DURHAM TO PERMIT THE ESTABLISHMENT OF ONE OR MORE INCUBATOR FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the City of Durham, being Chapter 671, 1975 Session Laws, as amended, is further amended by adding the following new section:

"*Sec. 108.2. Incubator facilities.* The city council may establish one or more incubator facilities within the city.

The term 'incubator facility' has the same meaning as stated in G.S. 143B-471.4. The city council may purchase and/or lease as lessee any real and/or personal property for incubator facility purposes and may lease or sublease any such property or any other real or personal property owned by the city to any corporation that is eligible to manage and maintain incubator facilities under the provisions of G.S. 143B-471.4.

The city council may make grants and/or loans to any such corporation from funds lawfully available for such purpose subject to such rules, regulations, restrictions and conditions as the city council

shall deem to be in the public interest."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 587 **CHAPTER 733**

AN ACT TO REGULATE THE ADVERTISING OF REDUCED OR DISCOUNTED FEES FOR SERVICES BY CHIROPRACTORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-154.1 reads as rewritten:

"*§ 90-154.1. Collection of certain fees prohibited.*--(a) Any patient or any other person responsible for payment has the right to refuse to pay, cancel payment, or be reimbursed for payment for any service, examination, or treatment other than the advertised reduced rate service, examination or treatment which is performed as a result of and within 72 hours of responding to any advertisement for a free or reduced rate service, free or reduced rate examination, or free or reduced rate treatment. ~~and is referred to in the advertisement.~~

(b) In any written advertisement for a free or reduced rate service, free or reduced rate examination, or free or reduced rate treatment by a chiropractor, the language of subsection (a) shall appear in capital letters clearly distinguishable from the rest of the text~~,~~ and any further treatment shall be agreed upon in writing and signed by both parties.

(c) In any broadcast advertisement for a free or reduced rate service, free or reduced rate examination, or free or reduced rate treatment by a chiropractor, the ~~language of subsection (a), or accurate summary of that subsection,~~ following shall be read at the ~~conclusion~~ end of the advertisement: 'By law, any person who responds to this advertisement for a free or reduced rate service, examination or treatment and is billed for any service, examination, or treatment other than the advertised reduced rate service during the responding visit may refuse to pay, cancel payment, or be reimbursed for any payment made for the billed service, examination, or treatment.'

(d) Any bill sent to a patient or any other person responsible for payment as a result of the patient responding to a chiropractic advertisement shall clearly contain the language of subsection (a) and have distinguished such on its face the charge for the reduced rate services, including an itemization of free services, and the separate charge for any services, examinations or treatments other than the

advertised free or reduced rate services, examinations, or treatments. The reduced rate charges shall be labeled 'Free or Reduced Rate Charges' and any other charges shall be labeled 'Non-advertised Services, Examinations, or Treatments'."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 642 **CHAPTER 734**

AN ACT TO REPEAL G.S. 143-215.1(c)(2)b.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-215.1(c)(2)b. is repealed.

Sec. 2. This act shall be effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 768 **CHAPTER 735**

AN ACT TO ESTABLISH CREDIT CARD AND CHARGE CARD DISCLOSURE REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding new sections to read:

"§ *24-11.1. Disclosure requirements for credit cards.*--(a) This section applies to any application, solicitation of an application, offer of credit, or communication extending credit that is:

(1) for an open-end credit plan accessed through a credit card or a revolving credit loan accessed through a credit card;
(2) printed;
(3) mailed or otherwise delivered to a person at any address within this State;
(4) not delivered pursuant to an existing credit agreement; and
(5) not printed in a newspaper, magazine, or periodical generally circulated outside as well as inside the State.

(b) Disclosures. The following disclosures shall be clearly and conspicuously made in or with all documents described in subsection (a) of this section:

(1) The annual percentage rate or, if the rate may vary, a statement that it may vary, the circumstances under which the rate may increase, any limitations on the increase, and the effects of the increase on the other terms of the

agreement.

(2) The date or occasion upon which the finance charge begins to accrue on a transaction and the duration of any grace period.

(3) Whether an annual fee is charged and the amount of the fee.

(4) Any delinquency charge, late charge, or collection charge which may be assessed for the late payment of any installment, including the terms and conditions for the imposition of such charge.

(c) Federal Requirements. The form and content of the disclosures described in subsection (b) may be consistent with similar disclosures required by the federal Truth-in-Lending Act, 15 U.S.C. § 1601 *et seq.*, and Regulation Z, 12 C.R.F. 226. Any amendment to the Act or Regulation that addresses credit card disclosures shall to the extent it covers applications, solicitations, and other communications covered by this section, replace the disclosure requirements of this section for creditors subject to the Act.

(d) Penalty. A violation of this section shall constitute a violation of G.S. 75-1.1 except that the creditor shall not be liable for any fine, civil penalty, treble damages, or attorney's fee where the creditor shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(e) Severability. If any part of this section is found unconstitutional or is preempted by federal law with regard to a creditor because the creditor is located outside of the State, that part does not apply to creditors located within the State.

(f) Nothing in this section shall be construed to authorize any fee, charge, surcharge or penalty not otherwise authorized by law.

"§ *24-11.2. Disclosure requirements for charge cards.*--(a) Applications and Other Communications. This section applies to any application, solicitation of an application, offer of credit, or communication extending credit that is:

(1) for credit accessed through a charge card;

(2) printed;

(3) mailed or otherwise delivered to a person at any address within this State;

(4) not delivered pursuant to an existing credit agreement; and

(5) not printed in a newspaper, magazine, or periodical generally circulated outside as well as inside the State.

For purposes of this section, the term 'charge card' means any card, plate or other device pursuant to which the charge card issuer extends

credit which is not subject to a finance charge and where the charge cardholder cannot automatically access credit that is repayable in installments.

(b) Disclosures. The following disclosures shall be clearly and conspicuously made in or with all documents described in subsection (a) of this section:

(1) The annual fee and other charges, if any, applicable to the issuance or use of the charge card.

(2) That charges incurred by the use of the charge card are due and payable upon receipt of a periodic statement of charges.

(3) Any delinquency charge, late charge, or collection charge which may be assessed for late payment, including the terms and conditions for the imposition of such charge.

(c) Federal Requirements. The form and content of the disclosures described in subsection (b) may be consistent with similar disclosures required by the federal Truth-in-Lending Act, 15 U.S.C. § 1601 *et seq.*, and Regulation Z, 12 C.F.R. 226. Any amendment to the Act or Regulation that addresses credit card disclosures shall, to the extent it covers applications, solicitations, and other communications covered by this section, replace the disclosure requirements of this section for creditors subject to the Act.

(d) Penalty. A violation of this section shall constitute a violation of G.S. 75-1.1 except that the creditor shall not be liable for any fine, civil penalty, treble damages, or attorney's fee where the creditor shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(e) Severability. If any part of this section is found unconstitutional or is preempted by federal law with regard to a creditor because the creditor is located outside of the State, that part does not apply to creditors located within the State.

(f) Nothing in this section shall be construed to authorize any fee, charge, surcharge or penalty not otherwise authorized by law."

Sec. 2. This act shall become effective January 1, 1988.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 1031 **CHAPTER 736**

AN ACT TO INCREASE THE PENALTY IN PARKING VIOLATION CASES TO NOT MORE THAN FIVE DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-162.1(a) reads as rewritten:

"(a) Whenever evidence shall be presented in any court of the fact that any automobile, truck, or other vehicle was found upon any street, alley or other public place contrary to and in violation of the provisions of any statute or of any municipal ordinance limiting the time during which any such vehicle may be parked or prohibiting or otherwise regulating the parking of any such vehicle, it shall be prima facie evidence in any court in the State of North Carolina that such vehicle was parked and left upon such street, alley or public way or place by the person, firm or corporation in whose name such vehicle is then registered and licensed according to the records of the department or agency of the State of North Carolina, by whatever name designated, which is empowered to register such vehicles and to issue licenses for their operation upon the streets and highways of this State; provided, that no evidence tendered or presented under the authorization contained in this section shall be admissible or competent in any respect in any court or tribunal, except in cases concerned solely with violation of statutes or ordinances limiting, prohibiting or otherwise regulating the parking of automobiles or other vehicles upon public streets, highways, or other public places.

Any person found responsible for an infraction pursuant to this section shall be subject to a penalty of not more than ~~one dollar ($1.00)~~ five dollars ($5.00)."

Sec. 2. This act shall become effective October 1, 1987, but parking violations before October 1, 1987, shall be governed by the law in effect at the time of the violation.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 1166 **CHAPTER 737**

AN ACT TO AMEND THE LAW REGARDING FOOD, DRUGS, AND COSMETICS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 106-121 is amended by inserting the following new subdivisions to read:

"(11a) The term 'manufacturer' means a person who prepares, derives, or produces a prescription drug. Pharmacists are specifically excluded from this definition if they are acting in the course of their professional practice as defined in Chapter 90 and rules adopted

pursuant to it.

(12a) The term 'prescription drug' means a drug that under federal law is required, prior to being dispensed or delivered, to be labeled with the following statement: 'Caution: Federal law prohibits dispensing without a prescription.'

(14e) The term 'repackager' means a person who repacks, relabels, or manipulates a prescription drug which was in a unit packaged and sealed by a manufacturer. Pharmacies are specifically exempted from this definition if they are acting in the course of their professional practice as defined in Chapter 90 and rules adopted pursuant to it.

(14f) The term 'wholesaler' means a person acting, as a jobber, wholesale merchant, salvager, or broker, or agent thereof, who sells or distributes for resale a prescription drug. Pharmacists are specifically exempted from this definition if they are acting in the course of their professional practice as defined in Chapter 90 and rules adopted pursuant to it."

Sec. 2. Chapter 106 is amended by adding a new section to read:

"§ *106-140.1. Registration of producers of prescription drugs and devices.*--(a) On or before December 31 of each year, every person doing business in North Carolina and operating as a wholesaler as defined in G.S. 106-121(14f) or manufacturer as defined in G.S. 106-121(11a) or repackager as defined in G.S. 106-121(14e) shall register with the Commissioner his name and business location(s) in North Carolina. If said person has no business locations in North Carolina, he shall register his name and location of his corporate offices.

(b) Every person, upon first operating as a wholesaler, manufacturer or repackager in North Carolina shall immediately register with the Commissioner his name, place of business, and such establishment. If said person has no business locations in North Carolina, he shall register his name and location of his corporate offices.

(c) Every person duly registered in accordance with subsections (a) and (b) of this section shall register with the Commissioner any additional establishment that he owns or operates in the State of North Carolina prior to doing business as a manufacturer, wholesaler or repackager.

(d) The Commissioner may assign a registration number to any person or any establishment registered in accordance with this section.

(e) The Commissioner shall make available for inspection to any person so requesting any registration filed pursuant to this section.

(f) The foregoing subsections of this section shall not apply:

(1) To pharmacists as defined in G. S. 90-85.3 (q) holding a valid permit as defined in G. S. 90-85.3(m).

(2) To practitioners licensed or registered by law to prescribe or administer drugs and who manufacture, prepare, compound, or process drugs or devices solely for use in the course of their professional practice;

(3) To persons who manufacture, prepare, compound, or process drugs solely for use in research, teaching, or chemical analysis and not for sale; or

(4) To such other classes of persons as the Commissioner may by regulation exempt from the application of this section upon a finding that registration by these classes of persons in accordance with this section is not necessary for the protection of the public health.

(g) Every establishment in the State of North Carolina registered with the Commissioner pursuant to this section shall be subject to inspection pursuant to G.S. 106-140.

(h) The Commissioner shall issue regulations to implement the registration requirements of this section. These regulations may provide for an annual registration fee of up to one hundred dollars ($100.00) for companies operating as manufacturers, wholesalers, or repackagers. The Department of Agriculture shall use these funds for the implementation of the North Carolina Food, Drug and Cosmetic Act.

(i) For the purposes of this act, name means the name of the partnership if a partnership and the name of the corporation if a corporation."

Sec. 3. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 6th day of August, 1987.

H.B. 1514 **CHAPTER 738**

AN ACT TO MAKE APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES EXCEPT FOR AID TO CERTAIN GOVERNMENTAL AND NONGOVERNMENTAL UNITS.

The General Assembly of North Carolina enacts:

Requested by: Sen. Royall, Rep. Watkins
-----INTRODUCTION

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

Sec. 1.1. This act shall be known as "The Current Operations Appropriations Act of 1987."

PART I.-----CURRENT OPERATIONS/GENERAL FUND

Sec. 2. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated except for aid to certain governmental and nongovernmental units are made for the biennium ending June 30, 1989, according to the following schedule:

Current Operations-General Fund	1987-88	1988-89
General Assembly	$ 13,775,242	$ 16,636,353
Judicial Department	151,146,101	157,252,143
Department of the Governor	4,089,063	4,118,251
Lieutenant Governor's Office	712,503	513,122
Department of Secretary of State	2,633,872	2,842,066
Department of State Auditor	6,350,979	6,410,906
Department of State Treasurer	3,872,684	3,699,281
Department of Public Education	2,498,598,824	2,640,970,882
Department of Justice	41,896,189	41,187,926
Department of Agriculture	33,586,010	33,737,065
Department of Labor	6,626,328	6,726,797

Department of Insurance	11,099,959	11,144,224
Department of Administration	42,463,756	42,947,588
Department of Transportation - Aeronautics	116,571	116,571
Department of Natural Resources and Community Development	59,594,311	58,563,104
Office of Administrative Hearings	1,883,791	1,874,045
Office of State Budget and Management	3,256,136	3,411,979
Department of Human Resources		
01. Alcoholic Rehabilitation Center - Black Mountain	2,934,623	2,986,736
02. Alcoholic Rehabilitation Center - Butner	2,725,581	2,736,746
03. Alcoholic Rehabilitation Center - Greenville	2,369,121	2,394,556
04. N.C. Special Care Center	3,850,572	3,912,649
05. Black Mountain Center	464,080	478,375
06. DHR - Administration and Support Program	6,788,729	6,806,069
07. Schools for the Deaf and Blind	20,281,056	20,509,415
08. Division of Health Services	48,829,882	47,585,329
09. Social Services	72,957,253	76,156,555
10. Medical Assistance	255,214,369	288,526,093

11. Division of Services for the Blind	5,887,010	5,935,924
12. Division of Mental Health, Mental Retardation and Substance Abuse Services	10,664,886	10,385,624
13. Dorothea Dix Hospital	32,372,589	32,621,340
14. Broughton Hospital	26,435,921	26,716,420
15. Cherry Hospital	26,897,587	27,193,092
16. John Umstead Hospital	26,498,658	26,924,383
17. Western Carolina Center	2,895,233	3,096,404
18. O'Berry Center	3,587,669	3,749,154
19. Murdoch Center	15,402,682	15,502,346
20. Caswell Center	11,587,364	11,052,401
21. Division of Facility Services	26,001,329	26,145,147
22. Division of Vocational Rehabilitation Services	21,143,144	22,432,116
23. Division of Youth Services	25,287,438	25,594,590
24. State-Aid Non-State Entities	153,319	296,530
Total Department of Human Resources	651,230,095	689,737,994
Department of Correction	262,447,914	276,424,190
Department of Commerce	22,740,249	22,720,734
Department of Revenue	40,094,088	41,616,392

Department of Cultural Resources	18,376,944	18,519,558
Department of Crime Control and Public Safety	18,458,611	17,787,433
University of North Carolina - Board of Governors		
01. General Administration	$ 15,865,019	$ 16,676,117
02. University Operations - Lump Sum	27,689,188	27,799,367
03. Related Educational Programs	3,899,821	4,015,524
04. University of North Carolina at Chapel Hill		
a. Academic Affairs	114,340,237	114,630,318
b. Division of Health Affairs	81,799,242	82,247,899
c. Area Health Education Centers	27,282,717	27,289,611
05. North Carolina State University at Raleigh		
a. Academic Affairs	144,955,453	146,903,112
b. Agricultural Research Service	30,762,254	30,775,187
c. Agricultural Extension Service	24,117,393	24,173,687
06. University of North Carolina at Greensboro	43,454,411	44,262,024

07.	University of North Carolina at Charlotte	40,901,044	41,071,501
08.	University of North Carolina at Asheville	11,552,575	11,732,050
09.	University of North Carolina at Wilmington	24,140,832	24,402,742
10.	East Carolina University	99,726,556	100,903,641
11.	North Carolina Agricultural and Technical State University	29,221,544	29,333,812
12.	Western Carolina University	29,172,895	29,272,027
13.	Appalachian State University	41,033,921	41,192,349
14.	Pembroke State University	11,272,039	11,407,576
15.	Winston-Salem State University	13,415,516	13,668,478
16.	Elizabeth City State University	9,714,745	9,784,803
17.	Fayetteville State University	13,551,535	13,615,775
18.	North Carolina Central University	24,082,211	24,181,242
19.	North Carolina School of the Arts	7,471,387	7,609,745
20.	North Carolina Science and Math High School	5,584,259	5,759,907
21.	North Carolina Memorial Hospital	27,805,159	28,493,798

Total University of North Carolina	902,811,953	911,202,292
Department of Community Colleges	310,371,821	301,241,942
State Board of Elections	1,177,512	419,256
Contingency and Emergency	1,125,000	1,125,000
Office of State Budget - Other Reserves	8,300,000	
Reserve for Benefits for Part-time Employees	875,000	905,000
Reserve for Salary Increase	198,600,000	202,000,000
Reserve for Salary Adjustments	500,000	500,000
Reserve for Telephone Systems	500,000	500,000
Reserve for Health Benefit Premium Increase	47,000,000	65,100,000
Reserve for Electronic Data Processing	500,000	500,000
Debt Service	73,929,627	71,636,370
GRAND TOTAL CURRENT OPERATIONS-- GENERAL FUND	$5,440,741,133	$5,654,088,464

PART II.-----CURRENT OPERATIONS/HIGHWAY FUND

Sec. 3. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1989, according to the following schedule:

Current Operations - Highway Fund	1987-88	1988-89
Department of Transportation		
01. Administration	$ 22,613,994	$ 22,658,495

02. Highways			
a.	Administration and Operations	29,221,555	29,032,534
b.	State Construction		
(01)	Primary Construction		
(02)	Secondary Construction	62,851,923	65,773,077
(03)	Urban Construction	20,000,000	20,000,000
(04)	Access and Public Service Roads	2,000,000	2,000,000
(05)	Special Appropriation for Highways	60,000,000	60,000,000
(06)	Spot Safety Improvements	6,200,000	6,200,000
c.	State Funds to Match Federal Highway Aid		
(01)	Construction	66,128,400	66,395,000
(02)	Planning Survey and Highway Planning Research	1,696,000	1,705,000
d.	State Maintenance		
(01)	Primary	72,746,958	72,661,450
(02)	Secondary	129,600,000	129,600,000
(03)	Urban	20,246,958	20,161,449
(04)	Contract Resurfacing	100,912,425	92,567,150

e. Ferry Operations	12,562,458	12,562,458
03. Division of Motor Vehicles	62,936,065	61,888,170
04. Governor's Highway Safety Program	256,902	257,375
05. Reserve for Salary Increments	2,438,664	2,438,664
06. Reserve for Hospital-Medical Benefits	4,800,000	6,500,000
07. Salary Adjustments for Highway Fund Employees	220,000	220,000
08. Reserve to Correct Occupational Safety and Health Conditions	350,000	350,000
09. Debt Service	37,955,215	37,295,105
10. Reserve for Salary Increases	13,400,000	13,400,000
Appropriations for Other State Agencies		
01. Crime Control and Public Safety	71,862,969	74,113,646
02. Other Agencies		
a. Department of Agriculture	2,185,748	2,188,706
b. Department of Revenue	1,392,457	1,397,608
c. Department of Human Resources	306,585	306,972
d. Department of Correction	1,750,000	1,750,000

Contingency and Emergency Fund	100,000	100,000
GRAND TOTAL CURRENT OPERATIONS--HIGHWAY FUND	$ 806,735,276	$ 803,522,859

PART III.-----APPROPRIATION OF FEDERAL BLOCK GRANT FUNDS

Requested by: Sen. Basnight, Rep. Etheridge, Rep. Colton; Sen. Walker, Reps. Locks, Nye

-----APPROPRIATION OF FEDERAL BLOCK GRANT FUNDS

Sec. 4. Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1988, according to the following schedule:

JOB TRAINING PARTNERSHIP ACT

01.	Title II A funds to the 26 service delivery areas to train economically disadvantaged youth and adults	$25,127,445
02.	Education set aside to State education agencies for projects to serve eligible participants	2,577,174
03.	Incentive grants and technical assistance funds to service delivery areas	1,932,880
04.	Funds for training economically disadvantaged older workers	966,440
05.	Funds to the Department of Natural Resources and Community Development to administer and audit all activities related to the Job Training Partnership Act Programs	1,610,735
06.	Title II B Summer Youth Employment and Training funds to service delivery areas for economically disadvantaged youth	10,968,303
07.	Title III Dislocated workers funds to the Employment Security Commission	1,928,243
	TOTAL JOB TRAINING PARTNERSHIP ACT	$45,111,220

COMMUNITY SERVICES BLOCK GRANT		
01.	Community Action Agencies	$ 7,831,265
02.	Limited Purpose Agencies	435,070
03.	Commission on Indian Affairs	19,710
04.	Department of Natural Resources and Community Development to administer and monitor the activities of the Community Services Block Grant	435,070
	TOTAL COMMUNITY SERVICES BLOCK GRANT	$ 8,721,115
COMMUNITY DEVELOPMENT BLOCK GRANT		
01.	State Administration	$ 850,660
02.	Urgent Needs/Contingency	1,834,117
03.	Development Planning Housing	550,235
04.	Economic Development	7,336,468
05.	Community Revitalization	26,961,520
	TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT	$37,553,000
EDUCATION CONSOLIDATION AND IMPROVEMENT BLOCK GRANT		$12,374,979
PREVENTIVE HEALTH BLOCK GRANT		
01.	Emergency medical services	$ 407,324
02.	Health Department	933,000
03.	Hypertension Programs	549,587
04.	Risk Reduction Programs	481,003
05.	Health Promotion/Local Health Departments	459,461
06.	Fluoridation of Water Supplies	159,838
07.	Rape Prevention and Rape Crisis Programs	89,369
	TOTAL PREVENTIVE HEALTH BLOCK GRANT	$ 3,079,582
MATERNAL AND CHILD HEALTH SERVICES		
01.	Local Maternal and Child Health and Family Planning Services	$ 9,591,119
02.	High Risk Maternity Clinic Services, Perinatal Education and Child Vaccination Services	1,289,835

03.	Services to Disabled Children	4,059,998
04.	Sudden Infant Death Syndrome	33,000
05.	Lead-Based Paint Poisoning	72,000
	TOTAL MATERNAL AND CHILD HEALTH SERVICES	$15,045,952

SOCIAL SERVICES BLOCK GRANT

01.	County departments of social services	$41,559,668
02.	Division of Mental Health, Mental Retardation, and Substance Abuse	5,770,693
03.	Division of Services for the Blind	2,691,673
04.	Division of Health Services	1,488,019
05.	Division of Youth Services	1,051,428
06.	Division of Facility Services	224,299
07.	Division of Aging	327,424
08.	Day Care Services	11,805,887
09.	Volunteer Services	44,970
10.	State Administration and State Level Contracts	2,963,183
11.	Voluntary Sterilization funds	100,000
12.	Transfer to Maternal and Child Health Block Grant	1,000,000
13.	Allocation to Salary Reserve for All Divisions	250,000
14.	Adult Day Care Services	161,629
15.	County Departments of Social Services for Child Abuse/Prevention and Permanency Planning	400,000
16.	Allocation to Division of Health Services for Grants in Aid to Prevention Programs	445,000
	TOTAL SOCIAL SERVICES BLOCK GRANT	$70,283,873

LOW INCOME ENERGY BLOCK GRANT

01.	Energy Assistance Programs	$23,702,453
02.	Crisis Intervention	5,436,079
03.	Administration	2,630,360
04.	Weatherization Program	2,894,834
05.	Indian Affairs	37,070

06.	Transfer to Maternal and Child Health Block Grant	1,753,554
07.	Emergency Medical Services	175,357
08.	Transfer to Social Services Block Grant for Adult Day Care Services	558,512
	TOTAL LOW INCOME ENERGY BLOCK GRANT	$37,188,219

ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANT

01.	Continuation of Staffing Grants to Area Mental Health Programs	$ 420,000
02.	Funds to Area Mental Health, Mental Retardation, and Substance Abuse Programs to Be Distributed on a Per Capita Basis	2,051,556
03.	Services to Persons Who Have Aged Out of the Willie M. Class	1,001,502
04.	Crisis Stabilization for the Mentally Ill	119,847
05.	Group Homes, Early Intervention, and Day Treatment Programs for Emotionally disturbed Children	298,000
06.	Programs for the Chronically Mentally Ill	2,790,738
07.	Funds to Substance Abuse Programs	3,468,485
08.	Alcohol Services Funds for Female Substance Abusers	591,163
09.	Administration	597,028
10.	Community Based Child and Family Residential Treatment	130,118
11.	Training Related to the Provision of mental Health Services	46,000
12.	Training Related to the Provision of Substance Abuse Services	67,200
13.	Child and Adolescent Sex Offenders Pilot Projects	89,836
	TOTAL ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANT	$11,671,473

ALCOHOL AND DRUG ABUSE TREATMENT AND REHABILITATION BLOCK GRANT		
01.	Community-based Services for Youth Substance Abusers	$ 2,697,140
02.	Treatment Alternatives to Street Crimes	319,608
	TOTAL ALCOHOL AND DRUG ABUSE TREATMENT AND REHABILITATION BLOCK GRANT	3,016,748

(b) Decreases in Federal Fund Availability

If federal funds are reduced below the amounts specified above after the effective date of this act, then every program, in each of the federal block grants listed above, shall be reduced by the same percentage as the reduction in federal funds. If federal funds are reduced in the Education Consolidation and Improvement Act Chapter II Block Grant, then the State Board of Education shall determine how reductions are to be made among the various local agencies.

(c) Increases in Federal Fund Availability

If the United States Congress appropriates additional funds for block grants after the effective date of this act, these funds shall be held in a reserve in each block grant for future allocations by the General Assembly. This subsection shall not apply to the Community Development Block Grant, the Community Services Block Grant, and to Job Training Partnership Act funds.

(d) Education Setaside of JTPA Funds

The Department of Natural Resources and Community Development shall certify to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office when Job Training Partnership Act funds have been distributed to each agency, the total amount distributed to each agency, and the total amount of eight percent (8%) Education Setaside funds received.

PART IV.-----GENERAL PROVISIONS

Requested by: Sen. Royall, Rep. Watkins

----- SPECIAL FUNDS, FEDERAL FUNDS, AND DEPARTMENTAL RECEIPTS/AUTHORIZATION FOR EXPENDITURES

Sec. 5. There is appropriated out of the cash balances, federal receipts, and departmental receipts available to each department, sufficient amounts to carry on authorized activities included under each department's operations. All these cash balances, federal

receipts, and departmental receipts shall be expended and reported in accordance with provisions of the Executive Budget Act, except as otherwise provided by statute. The Director of the Budget shall develop necessary budget controls, regulations, and systems to ensure that these funds and other State funds subject to the Executive Budget Act, may not be spent in a manner which would cause a deficit in expenditures.

Pursuant to G.S. 143-34.2, State departments, agencies, institutions, boards, or commissions may make application for, receive, or disburse any form of non-State aid. All non-State monies received shall be deposited with the State Treasurer unless otherwise provided by State law. These funds shall be expended in accordance with the terms and conditions of the fund award that are not contrary to the laws of North Carolina.

Requested by: Sen. Royall, Rep. Watkins
-----INSURANCE AND FIDELITY BONDS

Sec. 6. All insurance and all official fidelity and surety bonds authorized for the several departments, institutions, and agencies shall be effected and placed by the Insurance Department, and the cost of placement shall be paid by the affected department, institution, or agency with the approval of the Insurance Commissioner.

Requested by: Sen. Royall, Rep. Watkins
-----BUDGETING OF PILOT PROGRAMS

Sec. 7. (a) Any program designated by the General Assembly as experimental, model, or pilot shall be shown as a separate budget item and shall be considered as an expansion item until a succeeding General Assembly reapproves it.

Any new program funded in whole or in part through a special appropriations bill shall be designated as an experimental, model, or pilot program.

(b) The Governor shall submit to the General Assembly with his proposed budget a report of which items in the proposed budget are subject to the provisions of this section.

Requested by: Sen. Royall, Rep. Watkins
-----AUTHORIZED TRANSFERS

Sec. 8. The Director of the Budget may transfer to General Fund budget codes from the General Fund salary adjustment appropriation, and may transfer to Highway Fund budget codes from the Highway Fund salary adjustment appropriation, amounts required

to support approved salary adjustments made necessary by difficulties in recruiting and holding qualified employees in State government. The funds may be transferred only when the use of salary reserve funds in individual operating budgets is not feasible.

Requested by: Sen. Royall, Rep. Watkins
-----SHIFT PREMIUM PAY

Sec. 9. Shift premium pay shall be paid to all State employees in non-medically related positions through salary grade 69 and to all State employees in medically related positions through salary grade 73, subject to the provisions of this section. Shift premium pay for employees in medically related positions shall be limited to ten percent (10%) of salary or one dollar ($1.00) per hour, whichever is greater. The State Personnel Commission shall set the higher shift premium pay for employees in medically related positions only after finding that the higher pay is necessary to meet existing competition from private employers.

The State Personnel Commission may not adopt a shift premium pay schedule higher than those stated in this section unless the higher schedule is first approved by the General Assembly and funds are appropriated to implement the higher pay. The Commission may, however, request authorization to pay shift premium pay to employees in grades above those stated in this section when the Commission determines that there is a critical shortage of employees in a position because of competition from private employers who pay shift premium pay for that type work. Such a request shall be made to the General Assembly if it is in session; otherwise, the request shall be approved by the Director of the Budget with the advice of the Advisory Budget Commission.

The State Personnel Commission shall strictly enforce its regulation requiring that employees who receive shift premium pay be regularly assigned to night or shift work. In enforcing the regulation the Commission shall strictly construe "regularly" so that shift premium pay shall not be paid to employees temporarily placed on a shift receiving such pay.

Requested by: Sen. Royall, Rep. Watkins
-----EXPENDITURES OF FUNDS IN RESERVES LIMITED

Sec. 10. All funds appropriated by this act into reserves may be expended only for the purposes for which the reserves were established.

PART V.-----EMPLOYEES

Requested by: Sen. Royall, Rep. Watkins
-----GOVERNOR/SALARY INCREASE

Sec. 11. Effective July 1, 1987, the first sentence of G.S. 147-11 is rewritten to read:

"The salary of the Governor shall be one hundred five thousand dollars ($105,000) annually, payable monthly."

Requested by: Sen. Plyler, Rep. Bob Etheridge
-----COUNCIL OF STATE/SALARY INCREASES

Sec. 12. The annual salaries for members of the Council of State, payable monthly, for the 1987-89 fiscal biennium are:

Council of State	Annual Salary
Lieutenant Governor	$64,092
Attorney General	64,092
Secretary of State	64,092
State Treasurer	64,092
State Auditor	64,092
Superintendent of Public Instruction	64,092
Agriculture Commissioner	64,092
Insurance Commissioner	64,092
Labor Commissioner	64,092

Requested by: Sen. Plyler, Rep. Watkins
-----NONELECTED DEPARTMENT HEADS/SALARY INCREASES

Sec. 13. In accordance with G.S. 143B-9, the maximum annual salaries, payable monthly, for the nonelected heads of the principal State departments for the 1987-88 and 1988-89 fiscal years are:

Nonelected Department Heads	Annual Salary
Secretary of Administration	$64,092
Secretary of Commerce	64,092
Secretary of Correction	64,092
Secretary of Crime Control and Public Safety	64,092
Secretary of Cultural Resources	64,092
Secretary of Human Resources	64,092
Secretary of Natural Resources and Community Development	64,092
Secretary of Revenue	64,092
Secretary of Transportation	64,092

Requested by: Sen. Royall, Rep. Watkins
-----CERTAIN EXECUTIVE BRANCH OFFICIALS/SALARY INCREASES

Sec. 14. The annual salaries, payable monthly, for the 1987-88 and 1988-89 fiscal years for the following executive branch officials are:

Executive Branch Officials	Annual Salary
Chairman, Alcoholic Beverage Control Commission	$61,656
Commissioner of Motor Vehicles	61,656
Commissioner of Banks	61,656
Deputy Banking Commissioner	47,136
Chairman, Employment Security Commission	61,656
State Personnel Director	64,092
Chairman, Parole Commission	56,268
Members of the Parole Commission	51,900
Chairman, Industrial Commission	55,344
Members of the Industrial Commission	53,988
Executive Director, Agency for Public Telecommunications	51,900
Director, Seafood Industrial Park Authority	34,332
General Manager, Ports Railway Commission	46,824
Director, Museum of Art	63,192
Director, State Ports Authority	71,664
Controller, State Board of Education	74,184
Executive Director, Wildlife Resources Commission	53,160
Executive Director, North Carolina Housing Finance Agency	76,404
Executive Director, North Carolina Technological Development Authority	40,764
Executive Director, North Carolina Agricultural Finance Authority	60,000
Director, Office of Administrative Hearings	54,372

Requested by: Sen. Plyler, Rep. Bob Etheridge
-----LEGISLATORS/SALARY AND EXPENSE INCREASES

Sec. 15. Effective upon convening of the 1989 Regular Session of the General Assembly, G.S. 120-3(a) and (b) are rewritten to read:

"(a) The Speaker of the House shall be paid an annual salary of twenty-nine thousand eight hundred eighty dollars ($29,880), payable monthly, and an expense allowance of nine hundred seventy-five dollars ($975.00) per month. The President Pro Tempore of the

Senate shall be paid an annual salary of eighteen thousand two hundred seventy-six dollars ($18,276), payable monthly, and an expense allowance of six hundred thirty-three dollars ($633.00) per month. The Speaker Pro Tempore of the House and the Deputy President Pro Tempore of the Senate shall be paid an annual salary of fifteen thousand three hundred eighty-four dollars ($15,384), payable monthly, and an expense allowance of three hundred fifty-four dollars ($354.00) per month. The minority leader in the House and the majority and minority leaders in the Senate shall be paid an annual salary of thirteen thousand eighty dollars ($13,080), payable monthly, and an expense allowance of three hundred fifty-four dollars ($354.00) per month.

(b) Every other member of the General Assembly shall receive increases in annual salary and expense allowances only to the extent of and in the amounts equal to the average increases received by employees of the State, effective upon convening of the next Regular Session of the General Assembly after enactment of these increased amounts. Accordingly, upon convening of the 1989 Regular Session of the General Assembly, every other member of the General Assembly shall be paid an annual salary of ten thousand six hundred forty-four dollars ($10,644), payable monthly, and an expense allowance of two hundred sixty-five dollars ($265.00) per month."

Requested by: Sen. Royall, Rep. Watkins
-----GENERAL ASSEMBLY PRINCIPAL CLERKS/SALARY INCREASES

Sec. 16. The second sentence of G.S. 120-37(c) is rewritten to read:

"Each principal clerk shall be entitled to other benefits available to State employees and shall be paid an annual salary of thirty-nine thousand three hundred twelve dollars ($39,312), payable monthly."

Requested by: Sen. Royall, Rep. Watkins
-----SERGEANT-AT-ARMS AND READING CLERK/SALARY INCREASES

Sec. 17. G.S. 120-37(b) is amended by deleting "one hundred sixty-eight dollars ($168.00)" and substituting "one hundred seventy-seven dollars ($177.00)".

Requested by: Sen. Royall, Rep. Watkins
-----LEGISLATIVE EMPLOYEES/SALARY INCREASES

Sec. 18. The Legislative Administrative Officer may increase the salaries of nonelected employees of the General Assembly in effect for

fiscal year 1986-87 by an amount equal to the same amount as authorized in Section 30 of this act for most other State employees, rounded to conform to the steps in the salary ranges adopted by the Legislative Services Commission, commencing July 1, 1987. The granting of this legislative salary increase does not affect the status of employees' eligibility for other salary increments. Nothing in this Part limits any of the provisions of G.S. 120-32.

Requested by: Sen. Rand, Rep. Bob Etheridge

-----JUDICIAL BRANCH OFFICIALS/SALARY INCREASES

Sec. 19. The annual salaries, payable monthly, for specified judicial branch officials for the 1987-88 and 1988-89 fiscal years are:

Judicial Branch Officials	Annual Salary
Chief Justice, Supreme Court	$77,844
Associate Justice, Supreme Court	76,236
Chief Judge, Court of Appeals	73,800
Judge, Court of Appeals	72,180
Judge, Senior Regular Resident Superior Court	66,204
Judge, Superior Court	64,092
Chief Judge, District Court	56,532
Judge, District Court	54,372
District Attorney	59,628
Assistant District Attorney - an average of	38,568
Administrative Officer of the Courts	66,204
Assistant Administrative Officer of the Courts	53,964
Public Defender	59,628
Assistant Public Defender - an average of	38,568

If an acting senior regular resident superior court judge is appointed under the provisions of G.S. 7A-41, he shall receive the salary for Judge, Senior Regular Resident, Superior Court, until his temporary appointment is vacated, and the judge he replaces shall receive the salary indicated for Judge, Superior Court.

The district attorney or public defender of a judicial district, with the approval of the Administrative Officer of the Courts, shall set the salaries of assistant district attorneys or assistant public defenders, respectively, in that district such that the average salaries of assistant district attorneys or assistant public defenders in that district do not exceed thirty-eight thousand five hundred sixty-eight dollars ($38,568) and the minimum salary of any assistant district attorney or assistant

public defender is at least nineteen thousand four hundred seventy-six dollars ($19,476).

The salaries in effect for fiscal year 1986-87 for permanent employees of the Judicial Department, except for those whose salaries are itemized in this act, shall be increased by an amount, commencing July 1, 1987, equal to the same amount as authorized in Section 30 of this act for most other State employees, rounded to conform to the steps in the salary ranges adopted by the Judicial Department.

Requested by: Sen. Royall, Rep. Bob Etheridge
-----CLERKS OF COURT/SALARY INCREASES

Sec. 20. G.S. 7A-101 is amended in the first paragraph by deleting the schedule of salaries for clerks of superior court and substituting the following schedule:

"Population	Annual Salary
Less than 50,000	$34,728
50,000 to 99,999	39,948
100,000 to 199,999	45,156
200,000 and above	51,516"

Requested by: Sen. Royall, Rep. Watkins
-----ASSISTANT AND DEPUTY CLERKS OF COURT/SALARY INCREASES

Sec. 21. (a) G.S. 7A-102(c) is amended in the first paragraph by deleting the schedule of minimum and maximum annual salary rates for assistant clerks and deputy clerks and substituting the following schedule:

"Assistant Clerks	Annual Salary
Minimum	$17,628
Maximum	29,580
Deputy Clerks	Annual Salary
Minimum	$13,812
Maximum	22,680"

(b) Nothing contained in this Part limits any other provisions of G.S. 7A-102(c).

Requested by: Sen. Plyler, Rep. Bob Etheridge
-----MAGISTRATES/SALARY INCREASES

Sec. 22. G.S. 7A-171.1(a)(1) is amended by rewriting the table of salaries to read:

"Number of Prior Years of Service	Annual Salary
Less than 1	$14,076
1 or more but less than 3	14,808
3 or more but less than 5	16,320
5 or more but less than 7	17,988
7 or more but less than 9	19,836
9 or more but less than 11	21,840
11 or more	24,036"

Requested by: Sen. Royall, Rep. Watkins
-----COMMUNITY COLLEGES PERSONNEL/SALARY INCREASES

Sec. 23. The Director of the Budget may transfer from the salary increase reserve fund created in Section 2 of this act funds necessary to provide an average annual salary increase of five percent (5%), including funds for the employer's retirement and Social Security contributions, commencing July 1, 1987, for all permanent community college institutional personnel supported by State funds. Subject to the availability of funds, the salaries for temporary community college institutional personnel may be increased by pro rata amounts of the five percent (5%) average annual salary increase provided for permanent institutional employees. These funds may not be used for any purpose other than for the salary increases and necessary employer contributions.

Requested by: Sen. Royall, Rep. Watkins
-----HIGHER EDUCATION PERSONNEL/SALARY INCREASES

Sec. 24. The Director of the Budget may transfer from the salary increase reserve fund created in Section 2 of this act funds necessary to provide an annual average salary increase of five percent (5%), including funds for the employer's retirement and Social Security contributions, commencing July 1, 1987, for all employees of The University of North Carolina supported by State funds who are exempt from the State Personnel Act. These funds shall be allocated to individuals according to rules adopted by the Board of Governors and may not be used for any purpose other than for the salary increases and necessary employer contributions.

Requested by: Sen. Royall, Rep. Watkins
-----ALL STATE-SUPPORTED PERSONNEL/SALARY INCREASES

Sec. 25. (a) Salaries for positions that are funded partially from

the General Fund or Highway Fund and partially from sources other than the General Fund or Highway Fund shall be increased from the General Fund or Highway Fund appropriation only to the extent of the proportionate part of the salaries paid from the General Fund or Highway Fund.

(b) The granting of the salary increases under this Part does not affect the status of eligibility for salary increments for which employees may be eligible unless otherwise required by this Part.

(c) The salary range maximums for all employees shall be increased to accommodate the across-the-board salary increase provided by this Part so that every employee will continue to have the same relative position with respect to salary increases and future increments as he would have had if these salary increases had not been made.

(d) The salary increases provided in this act to be effective July 1, 1987, do not apply to persons separated from State service due to resignation, dismissal, reduction in force, death, or retirement, whose last workday is prior to July 1, 1987.

(e) Notwithstanding the provisions of Section 19.1 of Chapter 1137 of the 1979 Session Laws as amended by Chapter 1053 of the 1981 Session Laws, G.S. 115C-12(9)a., G.S. 115C-12(16), G.S. 126-7, or any other provision of law other than G.S. 20-187.3(a) or G.S. 7A-102(c), no employee or officer of the public school system shall receive an automatic increment and no State employee or officer shall receive a merit increment during the 1987-89 fiscal biennium, except as otherwise permitted by this act.

(f) The Director of the Budget shall transfer from the salary increase reserve funds in Sections 2 and 3 of this act all funds necessary for the salary increases provided by Sections 11 through 24 and Sections 30 and 32 of this act, including funds for the employer's retirement and Social Security contributions.

(g) Nothing in this Part authorizes the transfer of funds from the General Fund to the Highway Fund for salary increases.

Requested by: Sen. Royall, Rep. Watkins

-----SALARY RELATED CONTRIBUTIONS/EMPLOYERS

Sec. 26. (a) Required employer salary-related contributions for employees whose salaries are paid from department, office, institution, or agency receipts shall be paid from the same source as the source of the employees' salary. If an employee's salary is paid in part from the General Fund or Highway Fund and in part from department, office, institution, or agency receipts, required employer salary-related contributions may be paid from the General Fund or Highway Fund only to the extent of the proportionate part paid from the General

Fund or Highway Fund in support of the salary of the employee, and the remainder of the employer's requirements shall be paid from the source that supplies the remainder of the employee's salary. The requirements of this section as to source of payment are also applicable to payments on behalf of the employee for hospital-medical benefits, longevity pay, unemployment compensation, accumulated leave, workers' compensation, severance pay, separation allowances, and applicable disability salary continuation benefits.

(b) Effective September 1, 1987, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1987-88 and 1988-89 fiscal years are (1) eleven and thirty-five hundredths percent (11.35%) - Teachers and State Employees; (2) sixteen and thirty-five hundredths percent (16.35%) - State Law Enforcement Officers; (3) seven and ten hundredths percent (7.10%) - University Employees' Optional Retirement Program; (4) thirty and eighty-one hundredths percent (30.81%) - Consolidated Judicial Retirement System; and (5) thirty-six and eighty-six hundredths percent (36.86%) - Legislative Retirement System. Each of the foregoing contribution rates includes one and ten hundredths percent (1.10%) for hospital and medical benefits. From July 1, 1987, through August 31, 1987, all of such contribution rates shall be those in effect June 30, 1987. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan.

(c) Effective January 1, 1988, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1987-88 and 1988-89 fiscal years are (1) eleven and nineteen hundredths percent (11.19%) - Teachers and State Employees; (2) sixteen and nineteen hundredths percent (16.19%) - State Law Enforcement Officers; (3) seven and sixty-two hundredths percent (7.62%) - University Employees' Optional Retirement Program; (4) thirty and eighty-one hundredths percent (30.81%) - Consolidated Judicial Retirement System; and (5) thirty-six and eighty-six hundredths percent (36.86%) - Legislative Retirement System. Each of the foregoing contribution rates includes one and ten hundredths percent (1.10%) for hospital and medical benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State Employees, State Law Enforcement Officers, and for the University Employees' Optional Retirement Program includes fifty-two hundredths percent (0.52%) for the Disability Income Plan.

(d) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for fiscal year 1987-88 to the Teachers' and State Employees' Comprehensive

Major Medical Plan are: (1) Medicare eligible employees and retirees - seven hundred eighty-nine dollars ($789.00) and (2) Non-Medicare eligible employees and retirees - one thousand thirty-six dollars ($1,036).

(e) The maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for fiscal year 1988-89 to the Teachers' and State Employees' Comprehensive Major Medical Plan are: (1) Medicare eligible employees and retirees - eight hundred fifty-eight dollars ($858.00); and (2) Non-Medicare eligible employees and retirees - one thousand one hundred twenty-six dollars ($1,126).

Requested by: Sen. Royall, Rep. Watkins

-----POST-RETIREMENT ALLOWANCE INCREASES/RETIRED TEACHERS, STATE EMPLOYEES, JUDICIAL PERSONNEL, LOCAL GOVERNMENT EMPLOYEES, AND LEGISLATORS

Sec. 27. (a) G.S.135-5 is amended by adding a new subsection to read:

"(mm) From and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1986, shall be increased by four percent (4.0%) of the allowance payable on July 1, 1986, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1986, but before June 30, 1987, shall be increased by a prorated amount of four percent (4.0%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1986, and June 30, 1987."

(b) G.S. 135-65 is amended by adding a new subsection to read:

"(h) From and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1986, shall be increased by four percent (4.0%) of the allowance payable on July 1, 1986. Furthermore, from and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1986, but before June 30, 1987, shall be increased by a prorated amount of four percent (4.0%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1986, and June 30, 1987."

(c) G.S. 128-27 is amended by adding a new subsection to read:

"(cc) From and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1986, shall be increased by four percent (4.0%) of the

allowance payable on July 1, 1986, in accordance with G.S. 128-27(k). Furthermore, from and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1986, but before June 30, 1987, shall be increased by a prorated amount of four percent (4.0%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1986, and June 30, 1987."

(d) G.S. 120-4.22A is amended by adding a new subsection to read:

"(c) In accordance with subsection (a) of this section, from and after July 1, 1987, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 1987, shall be increased by the same amount as provided to retired members and beneficiaries of the Teachers' and State Employees' Retirement System pursuant to the provisions of G.S. 135-5(ii) and (jj)."

Requested by: Sen. Royall, Rep. Watkins

-----SUPPLEMENTAL RETIREMENT INCOME PLAN/ADMINISTRATION REVIEW

Sec. 28. The Department of State Treasurer and the Board of Trustees of the Supplemental Retirement Income Plan shall study the possibility for self-administration of the Plan without the use of third-party administrators. Such study shall include, but not be limited to, a review of one-time setup fees and monthly maintenance fees charged to participating employees by the Plan's current third-party administrator, a review of investment alternatives and average annual yields on each alternative made available to participating employees by the Plan's current third-party administrator, a review of income anti-discrimination practices being used by the Plan's current third-party administrator, alternative methods of financing the cost for self-administration of the Plan through fees, delayed investments, or any other suitable means to minimize the cost to participating employees, alternative forms of investment through self-administration of the Plan to maximize earnings potential for participating employees, any changes in income anti-discrimination practices that could be improved for the benefit of participating employees through self-administration of the Plan, and any advantages to payroll units for self-administration of the Plan through the Department of State Treasurer and Board of Trustees. The Department of State Treasurer and Board of Trustees shall complete this study by May 1, 1988, and make a report on the study's findings and recommendations by June 1, 1988, to the President of the Senate, the Speaker of the House of Representatives,

the Chairmen of the Committees on Appropriations of the Senate and House of Representatives, the Chairmen of the Committees on Pensions and Retirement of the Senate and House of Representatives, and to the Fiscal Research Division of the General Assembly.

Requested by: Sen. Royall, Rep. Watkins
-----DISABILITY RETIREMENT AND SALARY CONTINUATION BENEFITS REPLACED WITH DISABILITY INCOME BENEFITS/TEACHERS AND STATE EMPLOYEES

Sec. 29. (a) G.S. 135-1(5) is amended by adding a sentence at the end to read:

"In the event a member is or has been in receipt of a benefit under the provisions of G.S. 135-105 or G.S. 135-106, the compensation used in the calculation of 'average final compensation' shall be the higher of compensation of the member under the provisions of this Article or compensation used in calculating the payment of benefits under Article 6 of this Chapter as adjusted for percentage increases in the post disability benefit."

(b) G.S. 135-4 is amended by adding a new subsection to read:

"(y) A member who is a beneficiary of the Disability Income Plan provided for in Article 6 of this Chapter shall be granted creditable service for each month that the member is eligible for and for which a benefit is paid under the provisions of G.S. 135-105 and G.S. 135-106; provided, however, that in no instance shall a member be granted creditable service under this subsection if creditable service is earned or credited for the same month in this retirement system or any other retirement system administered by the State."

(c) G.S. 135-5(a) is amended by adding a new subdivision designated as (5) to read:

"(5) Any member who is eligible for and is being paid a benefit under the Disability Income Plan as provided under G.S. 135-105 or G.S. 135-106 shall be deemed a member in service and may not retire under the provisions of this section."

(d) G.S. 135-5(c) is amended by rewriting the caption "Disability Retirement Benefits" to read "Disability Retirement Benefits of Members Retiring Prior to January 1, 1988" and adding a sentence at the beginning of the subsection to read "The provisions of this subsection shall not be applicable to members on or after January 1, 1988."

(e) G.S. 135-5(d4) is amended by rewriting the caption "Allowance on Disability Retirement of Persons Retiring on or after July 1, 1982" to read "Allowance on Disability Retirement of Persons Retiring on or after July 1, 1982, but prior to January 1, 1988" and by inserting in the first sentence a phrase after the phrase "July 1,

1982" and before the comma to read "but prior to January 1, 1988".

(f) G.S. 135-5(e) is amended by adding a sentence after the caption and at the beginning of the first paragraph to read "The provisions of this subsection shall be applicable to members retired on a disability retirement allowance prior to January 1, 1988."

(g) G.S. 135-5(e) and G.S. 128-7(e) are amended by adding a new subdivision to the end of each designated as (6) to read:

"(6) Notwithstanding any other provision to the contrary, a beneficiary in receipt of a disability retirement allowance until the earliest date on which he would have qualified for an unreduced service retirement allowance shall thereafter (i) not be subject to further reexaminations as to disability, (ii) not be subject to any reduction in allowance on account of being engaged in a gainful occupation other than with an employer participating in the Retirement System, and (iii) be considered a beneficiary in receipt of a service retirement allowance. Provided, however, a beneficiary in receipt of a disability retirement allowance whose allowance is reduced on account of reexamination as to disability or to ability to engage in a gainful occupation prior to the date on which he would have qualified for an unreduced service retirement allowance shall have only the right to elect to convert to an early or service retirement allowance as permitted under subdivision (1) above."

(h) G.S. 135-5(f) is amended by adding a paragraph at the end of the subsection to read "A member who is a participant or beneficiary of the Disability Income Plan of North Carolina as is provided in Article 6 of this Chapter shall not be paid a return of accumulated contributions, notwithstanding the member's status as an employee or teacher."

(i) G.S. 135-5(l) is amended by adding a paragraph at the end of the subsection to read:

"A member who is a beneficiary of the Disability Income Plan provided for in Article 6 of this Chapter shall be eligible for group life insurance benefits as provided in this subsection, notwithstanding that the member is no longer an employee or teacher or that the member's death occurs after the eligibility period after active service. The basis of the death benefit payable hereunder shall be the higher of the death benefit computed as above or a death benefit based on compensation used in computing the benefit payable under G.S. 135-106 as may be adjusted for percentage post-disability increases, all subject to the maximum dollar limitation as provided above. A member in receipt of benefits from the Disability Income Plan under the provisions of G.S. 135-112(b) and (c) whose right to a benefit accrued under the former

Disability Salary Continuation Plan shall not be covered under the provisions of this paragraph."

(j) G.S. 135-5(m) as amended by Chapter 181 of the 1987 Session Laws is amended by adding a sentence at the end of the subsection to read:

"The term 'in service' as used in this subsection includes a member in receipt of a benefit under the Disability Income Plan as provided in Article 6 of this Chapter."

(k) G.S. 135-9 is amended by deleting the phrase "Disability Salary Continuation Plan" and inserting the phrase "the former Disability Salary Continuation Plan or the Disability Income Plan of North Carolina."

(l) G.S. 135-34 is repealed in its entirety and all assets and liabilities of the Disability Salary Continuation Plan shall be transferred to the Disability Income Plan of North Carolina as provided in Article 6 of Chapter 135 of the General Statutes.

(m) G.S. 135-38(c) is amended in the first sentence by deleting the phrase "disability salary continuation benefits as provided in this Article" and substituting the phrase "disability income plan benefits as provided in this Article and Article 6 of this Chapter"; and is further amended in the second sentence by deleting the phrase "Disability Salary Continuation Plan" and substituting the phrase "Disability Income Plan".

(n) G.S. 135-40.2(d) is amended by rewriting the subsection to read:

"(d) Former employees who are receiving disability retirement benefits or disability income benefits pursuant to Article 6 of Chapter 135 of the General Statutes, provided the former employee has at least five years of retirement membership service at the time of disability, shall be eligible for the benefit provisions of this Plan, as set forth in this Part, on the same basis as a retired employee. Such coverage shall terminate as of the end of the month in which such former employee is no longer eligible for disability retirement benefits or disability income benefits pursuant to Article 6 of this Chapter."

(o) G.S. 135-40.11(c)(6) is amended by deleting the phrase "disability salary continuation under a program of benefits established under G.S. 135-34," and substituting the phrase "benefits pursuant to Article 6 of this Chapter when the employee has less than five years of retirement membership service at the time of disability,".

(p) G.S. 143-166.60(a) is amended after the phrase "from any State-administered retirement system" and before the comma by adding the phrase "or are in receipt of a benefit from the Disability

Income Plan of North Carolina".

(q) Chapter 135 of the General Statutes is amended by adding a new Article 6 to read:

"Article 6.

"Disability Income Plan of North Carolina.

"§ *135-100. Short title and purpose.*--(a) This Article shall be known and may be cited as the 'Disability Income Plan of North Carolina'.

(b) The purpose of this Article is to provide equitable replacement income for eligible teachers and employees who become temporarily or permanently disabled for the performance of their duty prior to retirement, and to encourage disabled teachers and employees who are able to work to seek gainful employment after a reasonable period of rehabilitation, and to provide for the accrual of retirement and ancillary benefits to the date the eligible teacher or employee meets the requirements for retirement under the provisions of this Chapter.

"§ *135-101. Definitions.*--The following words and phrases as used in this Article, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) 'Base rate of compensation' shall mean the regular monthly rate of compensation not including pay for shift premiums, overtime, or other types of extraordinary pay; in all cases of doubt, the Board of Trustees shall determine what is 'base rate of compensation'.

(2) 'Beneficiary' shall mean any person in receipt of a disability allowance or other benefit as provided in this Article.

(3) 'Benefits' shall mean the monthly disability income payments made pursuant to the provisions of this Article. In the event of death or termination of benefits on or after the first day of a month, the monthly benefit shall not be prorated and shall equal the benefits paid in the previous month.

(4) 'Board of Trustees' shall mean the Board of Trustees of the Teachers' and State Employees' Retirement System as provided in G.S. 135-6.

(5) 'Compensation' shall mean any compensation as the term is defined in G.S. 135-1(7a).

(6) 'Disability' or 'Disabled' shall mean the mental or physical incapacity for the further performance of duty of a participant or beneficiary; provided that such incapacity was not the result of war, whether declared or not, armed or unarmed military or paramilitary conflict, terrorist activity,

active participation in a riot, committing or attempting to commit a felony, or intentionally self-inflicted injury.

(7) 'Earnings' shall mean all income for personal services rendered or otherwise receivable, including, but not limited to, salaries and wages, fees, commissions, royalties, awards and other similar items and self-employment; in all cases of doubt, the Board of Trustees shall determine what are 'earnings'.

(8) 'Employee' shall mean any employee as the term is defined in G.S. 135-1(10).

(9) 'Employer' shall mean any employer as the term is defined in G.S. 135-1(11).

(10) 'Medical Board' shall mean the board of physicians as provided in G.S. 135-102(d).

(11) 'Member' shall mean any member as the term is defined in G.S. 135-1(13).

(12) 'Membership service' shall mean any service as defined in G.S. 135-1(14).

(13) 'Participant' shall mean any teacher or employee eligible to participate in the Plan as provided in G.S. 135-103.

(14) 'Plan' shall mean the Disability Income Plan of North Carolina as provided in this Article.

(15) 'Retirement' shall mean the withdrawal from active service with a retirement allowance granted under the provisions of Article 1 of this Chapter.

(16) 'Retirement System' shall mean the Teachers' and State Employees' Retirement System of North Carolina as defined in G.S. 135-2.

(17) 'Service' shall mean service as a teacher or employee as defined in G.S. 135-1(10) or G.S. 135-1(25).

(18) 'State' shall mean the State of North Carolina.

(19) 'Teacher' shall mean any teacher as the term is defined in G.S. 135-1(25).

"§ *135-102. Administration.*--(a) The provisions of this Article shall be administered by the Department of State Treasurer and the Board of Trustees of the Teachers' and State Employees' Retirement System and all expenses in connection with the administration of the Plan, except for expenses incurred by and properly charged to the employer, shall be charged against and paid from the trust fund as created and provided in this Article.

(b) The Plan shall have the power and privileges of a corporation and under the name of Disability Income Plan of North Carolina shall all of its business be transacted, all of its funds invested and all of its

cash, securities and other property be held.

(c) The Department of State Treasurer and the Board of Trustees shall have the full power and authority to adopt rules for the administration of the Plan not inconsistent with the provisions of this Article. The Department of State Treasurer and the Board of Trustees may appoint those agents, contractors, and employees as they deem advisable to carry out the terms and conditions of the Plan.

(d) The Department of State Treasurer and the Board of Trustees shall designate a Medical Board to be composed of not fewer than three nor more than five physicians not eligible for benefits under the Plan. Other physicians, medical clinics, institutions or agencies may be employed to conduct such medical examinations and tests necessary to provide the Medical Board with clinical evidence as may be needed to determine eligibility for benefits under the Plan. The Medical Board shall investigate the results of medical examinations, clinical evidence, all essential statements and certifications by and on behalf of applicants for benefits and shall report in writing to the Board of Trustees the conclusions and recommendations upon all matters referred to it.

(e) The Department of State Treasurer and the Board of Trustees may provide the benefits according to the terms and conditions of the Plan as provided in this Article either by purchasing a contract or contracts with any insurance company licensed to do business in this State or by establishing a separate trust fund qualified under Section 501(c)(9) of the Internal Revenue Code of 1986.

"§ *135-103. Eligible participants.*--(a) The eligible participants of the Disability Income Plan shall consist of:

(1) All teachers and employees in service and members of the Teachers' and State Employees' Retirement System or participants of the Optional Retirement Program on January 1, 1988.

(2) All persons who become teachers and employees or re-enter service as teachers or employees and are in service and members of the Teachers' and State Employees' Retirement System or participants of the Optional Retirement Program after January 1, 1988.

(b) The participation of any person in the Disability Income Plan shall cease upon:

(1) The termination of the participant's employment as a teacher or State employee, or

(2) The participant's retirement under the provisions of the Teachers' and Employees' Retirement System or the Optional Retirement Program, or

(3) The participant's becoming a beneficiary under the Plan, or

(4) The participant's death.

"§ *135-104. Salary continuation.*--(a) A participant shall receive no benefits from the Plan for a period of 60 continuous calendar days from the onset of disability determined as the last actual day of service or the day succeeding at least 365 calendar days after service as a teacher or employee, whichever is later. These 60 continuous calendar days may be considered the waiting period before benefits are payable from the Plan. During this waiting period, a participant may be paid such continuation of salary as provided by an employer through the use of sick leave, vacation leave or any other salary continuation.

(b) During the waiting period a participant may return to service for trial rehabilitation for periods of not greater than five continuous days of service. Such return to service will not cause a new waiting period to begin but shall extend the waiting period by the number of days of service.

"§ *135-105. Short-term disability benefits.*--(a) Any participant who becomes disabled and is no longer able to perform his usual occupation may, after at least 365 calendar days succeeding his date of initial employment as a teacher or employee and at least one year of contributing membership service, receive a benefit commencing on the first day succeeding the waiting period; provided that the participant's employer and attending physician shall certify that such participant is mentally or physically incapacitated for the further performance of duty, that such incapacity was incurred while the participant was a teacher or employee and has been continuous thereafter; provided further that the requirement for one year of contributing membership service must have been earned within 36 calendar months immediately preceding the date of disability and further, salary continuation used during the period as provided in G.S. 135-104 shall count toward the aforementioned one year requirement.

(b) The benefits as provided for in subsection (a) of this section shall commence on the first day following the waiting period and shall be payable for a period of 365 days as long as the participant continues to meet the definition of disability. However, a disabled participant may elect to receive any salary continuation as provided in G.S. 135-104 in lieu of short-term disability benefits; provided further, such election shall not extend the 365 days duration of short-term payments.

(c) The monthly benefit as provided in subsection (a) of this section shall be equal to fifty percent (50%) of 1/12th of the annual base rate of compensation last payable to the participant prior to the beginning of the short-term benefit plus fifty percent (50%) of 1/12th of the annual longevity payment to which the participant would be eligible, to a maximum of three thousand dollars ($3,000) per month reduced by monthly payments for Workers' Compensation to which the participant may be entitled. Provided, that should a participant have earnings in an amount greater than the short-term benefit, the amount of the short-term benefit shall be reduced on a dollar-for-dollar basis by the amount that exceeds the short-term benefit.

(d) The provisions of this section shall be administered by the employer and further, the benefits during the first six months of the short-term disability period shall be the full responsibility of and paid by the employer; Provided, further, that upon the completion of the initial six months of the short-term disability period, the employer will continue to be responsible for the short-term benefits to the participant, however, such employer shall notify the Plan on a quarterly basis of the amount of short-term benefits paid and the Plan shall reimburse the employer the amounts so paid.

(e) During the short-term disability period, a beneficiary may return to service for trial rehabilitation for periods of not greater than 40 continuous days of service. Such return will not cause the beneficiary to become a participant and will not require a new waiting period or short-term disability period to commence unless a different incapacity occurs. The period of rehabilitative employment shall not extend the period of the short-term disability benefits.

(f) A participant or beneficiary of short-term disability benefits or his legal representative or any person deemed by the Board of Trustees to represent the participant or beneficiary, or the employer of the participant or beneficiary, may request the Board of Trustees to have the Medical Board make a determination of eligibility for the short-term disability benefits as provided in this section or to make a preliminary determination of eligibility for the long-term disability benefits as provided in G.S. 135-106. A preliminary determination of eligibility for long-term disability benefits shall not preclude the requirement that the Medical Board make a determination of eligibility for long-term disability benefits.

(g) The Board of Trustees may extend the short-term disability benefits of a beneficiary beyond the benefit period of 365 days for an additional period of not more than 365 days; provided the Medical

Board determines that the beneficiary's disability is temporary and likely to end within the extended period of short-term disability benefits. During the extended period of short-term disability benefits, payment of benefits shall be made by the Plan directly to the beneficiary.

"§ *135-106. Long-term disability benefits.*--(a) Upon the application of a beneficiary or participant or of his legal representative or any person deemed by the Board of Trustees to represent the participant or beneficiary, any beneficiary or participant who has had five or more years of membership service may receive long-term disability benefits from the Plan upon approval by the Board of Trustees, commencing on the first day succeeding the conclusion of the short-term disability period provided for in G.S. 135-105, provided the beneficiary or participant makes application for such benefit within 180 days after the short-term disability period ceases or after salary continuation payments cease, whichever is later; Provided, that the Medical Board shall certify that such beneficiary or participant is mentally or physically incapacitated for the further performance of duty, that such incapacity was incurred while a teacher or employee and has been continuous thereafter, that such incapacity is likely to be permanent; Provided further that the Medical Board shall not certify any beneficiary or participant as disabled who is in receipt of any payments on account of the same incapacity which existed when the beneficiary first established membership in the Retirement System.

The Board of Trustees may require each beneficiary who becomes eligible to receive a long-term disability benefit to have an annual medical review or examination for the first five years and thereafter once every three years after the commencement of benefits under this section. However, the Board of Trustees may require more frequent examinations and upon the advice of the Medical Board shall determine which cases require such examination. Should any beneficiary refuse to submit to any examination required by this subsection or by the Medical Board, his long-term disability benefit shall be suspended until he submits to an examination, and should his refusal last for one year, his benefit may be terminated by the Board of Trustees. If the Medical Board finds that a beneficiary is no longer mentally or physically incapacitated for the further performance of duty, the Medical Board shall so certify this finding to the Board of Trustees, and the Board of Trustees may terminate the beneficiary's long-term disability benefits.

As to the requirement of five years of membership service, any participant or beneficiary who does not have five years of membership service within the 96 calendar months prior to conclusion of the short-

term disability period or cessation of salary continuation payments, whichever is later, shall not be eligible for long-term disability benefits.

(b) After the commencement of benefits under this section, the benefits payable under the terms of this section shall be equal to sixty-five percent (65%) of 1/12th of the annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the long-term benefit plus sixty-five percent (65%) of 1/12th of the annual longevity payment to which the participant or beneficiary would be eligible, to a maximum of three thousand nine hundred dollars ($3,900) per month reduced by any primary Social Security disability benefits and by Workers' Compensation, if any. However, a disabled participant may elect to receive any salary continuation as provided in G.S. 135-104 in lieu of long-term disability benefits; provided such election shall not extend the first 36 consecutive calendar months of the long-term disability period. Notwithstanding the foregoing, upon the completion of four years from the conclusion of the waiting period as provided in G.S. 135-104, the beneficiary's benefit shall be reduced by an amount, as determined by the Board of Trustees, equal to a primary Social Security disability benefit to which the beneficiary might be entitled had the beneficiary been awarded Social Security disability benefits. Provided that, in any event, a beneficiary's benefit shall be reduced by an amount, as determined by the Board of Trustees, equal to a primary Social Security retirement benefit to which the beneficiary might be entitled.

Notwithstanding the foregoing, the long-term disability benefit is payable so long as the beneficiary is disabled until the earliest date at which the beneficiary is eligible for an unreduced service retirement allowance from the Retirement System, at which time the beneficiary would receive a retirement allowance calculated on the basis of the beneficiary's average final compensation at the time of disability as adjusted to reflect compensation increases subsequent to the time of disability and the creditable service accumulated by the beneficiary, including creditable service while in receipt of benefits under the Plan.

(c) Notwithstanding the foregoing, a beneficiary in receipt of long-term disability benefits who has earnings during the first 36 consecutive calendar months of the long-term disability period shall have his long-term disability benefit reduced when the sum of the net long-term disability benefit and the earnings equals one hundred percent (100%) of monthly compensation adjusted as provided under G.S. 135-108. The long-term disability benefit shall be reduced dollar-for-dollar for the amount of earnings in excess of the one

hundred percent (100%) monthly limit. Provided further, after the first 36 months of the long-term disability period, a beneficiary's earnings will not result in any reduction of the monthly long-term disability benefit until the monthly earnings equal the net monthly long-term disability benefit. The monthly long-term disability benefit will be reduced by one dollar ($1.00) for each three dollars ($3.00) of monthly earnings in excess of the net long-term disability benefit until the sum of the monthly net long-term benefit and monthly earnings reach one hundred percent (100%) of monthly compensation adjusted as provided under G.S. 135-108, at which point the monthly long-term disability benefit shall be reduced dollar-for-dollar for the amount of earnings in excess of the one hundred percent (100%) monthly limit. Any beneficiary exceeding the earnings limitations shall notify the Plan by the fifth of the month succeeding the month in which the earnings were received of the amount of earnings in excess of the limitations herein provided. Failure to report excess earnings may result in a suspension or termination of benefits as determined by the Board of Trustees.

"§ *135-107. Optional Retirement Program.*--Any participant of the Optional Retirement Program who becomes a beneficiary under the Plan shall be eligible to receive long-term disability benefits until the time the beneficiary would first qualify for an unreduced service retirement benefit had the beneficiary elected to be a member of the Teachers' and State Employees' Retirement System, and shall receive no service accruals as otherwise provided members of the Retirement System under the provisions of G.S. 135-4(y).

"§ *135-108. Post disability benefit adjustments.*--The compensation upon which the short-term or long-term disability benefit is calculated under the provisions of G.S. 135-105(c) or G.S. 135-106(b) may be increased by any percentage across-the-board salary increase granted to employees of the State by the General Assembly and the benefits payable to beneficiaries shall be recalculated based upon the increased compensation, reduced by any percentage increase in Social Security benefits granted by the Social Security Administration times the amount used in the reduction of benefits for primary Social Security disability or retirement benefit as provided in G.S. 135-106(b). The provisions of this section shall be subject to future acts of the General Assembly.

"§ *135-109. Reports of earnings.*--The Department of State Treasurer and Board of Trustees shall require each beneficiary to annually provide a copy of the beneficiary's federal income tax return

certified by the beneficiary to be a true and exact copy of such tax return filed with the United States Internal Revenue Service and shall require such other statements of earnings as may be necessary to administer the provisions of this Article. The benefit payable to a beneficiary who does not or refuses to provide the information requested within 60 days after such request shall not be paid a benefit until the information so requested is provided, and should such refusal or failure to provide such information continue for 180 days after such request the right of a beneficiary to a benefit under the Article shall be terminated.

"§ *135-110. Funding and management of funds.*--(a) A trust fund is hereby created to which all receipts, transfers, appropriations, contributions, investment earnings and other income belonging to the Plan shall be deposited, and from which all benefits, expenses, and other charges against the Plan shall be disbursed. The Board of Trustees shall be the trustee of the funds created by this Article.

(b) The Board of Trustees shall on the basis of such economic and demographic assumptions duly adopted, determine and adopt a uniform percentage of compensation as is defined in Article 1 of this Chapter which would be sufficient to fund the benefits payable under this Article on a term cost method basis as recommended by an actuary engaged by the Board of Trustees. Such uniform percentage of compensation shall not be inconsistent with acts of the General Assembly as may be thereafter adopted.

(c) Each employer shall contribute monthly to the Plan an amount determined by applying the uniform percentage of compensation adopted by the Board of Trustees multiplied by the compensation of teachers and employees reportable to the Retirement System or the Optional Retirement Program. Such monthly contribution shall be paid by the employer from the same source of funds from which the compensation of teachers and employees are paid.

(d) The State Treasurer shall be the custodian of the funds and shall invest the assets of the fund in accordance with the provisions of G.S. 147-69.2 and G.S. 147-69.3.

"§ *135-111. Applicability of other pension laws.*--Subject to the provisions of this Article, the provisions of G.S. 135-9, entitled 'Exemption from taxes, garnishment, attachment, etc.'; G.S. 135-10, entitled 'Protection against fraud'; and G.S. 135-17, entitled 'Facility of payment' shall be applicable to this Article and to benefits paid pursuant to the provisions of this Article.

"§ *135-112. Transition provisions.*--(a) Any participant in service as of the date of ratification of this Article and who becomes disabled after one year of membership service will be eligible for all benefits provided under this Article notwithstanding the requirement of five years' membership service to receive the long-term benefit; provided, however, any beneficiary who receives benefits as a result of this transition provision before completing five years of membership service shall receive lifetime benefits in lieu of service accruals under the Retirement System as otherwise provided in G.S. 135-4(y).

(b) All benefit recipients under the former Disability Salary Continuation Plan provided for in G.S. 135-34 and the rules adopted thereto shall become beneficiaries under this Plan under the same provisions and conditions including the benefit amounts payable as were provided under the former Disability Salary Continuation Plan.

(c) Any person who retired on a disability retirement allowance from the Teachers' and State Employees' Retirement System prior to the effective date of this Article shall be entitled to apply for and receive any benefits that would have otherwise been provided under the Disability Salary Continuation Plan provided for in G.S. 135-34 and shall become beneficiaries under this Plan, under the same provisions and conditions, including the benefit amounts payable, as were provided under the former Disability Salary Continuation Plan.

"§ *135-113. Reservation of power to change.*--The benefits provided in this Article as applicable to a participant who is not a beneficiary under the provisions of this Article shall not be considered as a part of an employment contract, either written or implied, and the General Assembly reserves the right at any time and from time to time to modify, amend in whole or in part or repeal the provisions of this Article."

(r) This section shall become effective January 1, 1988, except that the Department of State Treasurer and the Board of Trustees of the Teachers' and State Employees' Retirement System may commence rule-making procedures for the adoption of rules consistent with this section effective upon ratification but in no event shall such rules and regulations become effective prior to January 1, 1988.

Requested by: Sen. Plyler, Rep. Watkins

-----MOST STATE EMPLOYEES AND PUBLIC SCHOOL EMPLOYEES/SALARY INCREASES

Sec. 30. (a) The salaries in effect for fiscal year 1986-87 for all permanent full-time State employees paid from the General Fund or the Highway Fund shall be increased, on and after July 1, 1987, unless otherwise provided by this Part, by an average of five percent

(5%), rounded to conform to the steps in the salary ranges adopted by the State Personnel Commission. If an employee's salary for fiscal year 1986-87 is not equal to a specific pay rate on the 1986-87 salary schedule, his salary increase, effective July 1, 1987, unless otherwise provided by this Part, shall be five percent (5%) with the annual salary adjusted so as to be divisible by 12.

Except as otherwise provided in this act, the fiscal year 1986-87 salaries for permanent full-time State officials and persons in exempt positions that are recommended by the Governor or the Governor and the Advisory Budget Commission and set by the General Assembly shall be increased by an average of five percent (5%), commencing July 1, 1987.

The salaries in effect for fiscal year 1986-87 for all permanent part-time State employees shall be increased on and after July 1, 1987, by pro rata amounts of the five percent (5%) average salary increase provided for permanent full-time employees covered by the provisions of this subsection.

The Director of the Budget may allocate out of special operating funds or from other sources of the employing agency, except tax revenues, sufficient funds to allow a salary increase, on and after July 1, 1987, averaging five percent (5%), including funds for the employer's retirement and Social Security contributions, for the permanent full-time and part-time employees of the agency, provided the employing agency elects to make available the necessary funds.

Within regular Executive Budget Act procedures as limited by this act, all State agencies and departments may increase on an equitable basis the rate of pay of temporary and permanent hourly State employees, subject to availability of funds in the particular agency or department, by pro rata amounts of the five percent (5%) average salary increase provided for permanent full-time employees covered by the provisions of this subsection, commencing July 1, 1987.

(b) The salaries in effect for fiscal year 1986-87 for all permanent full-time public school employees supported by State funds and paid from the State public school fund and from other special allocations to local public school units shall be increased by an average of five percent (5%), rounded to conform to the steps in the salary ranges adopted by the State Board of Education, commencing July 1, 1987.

The salaries in effect for fiscal year 1986-87 for all permanent part-time public school employees supported by State funds and paid from the State public school fund and from other special allocations to local public school units shall be increased by pro rata amounts of the five percent (5%) average salary increase provided for permanent full-

time employees covered by the provisions of this subsection.

The fiscal year 1986-87 pay rates adopted by local boards of education for school bus drivers shall be increased by five percent (5%), on and after July 1, 1987, to the extent that such rates of pay are supported by the allocation of State funds from the State Board of Education. Local boards of education shall increase the rates of pay for all school bus drivers who were employed during fiscal year 1986-87 and who continue their employment for fiscal year 1987-88 by five percent (5%) on and after July 1, 1987.

Requested by: Sen. Hunt of Durham, Rep. Bob Etheridge
-----LEGISLATIVE RETIREMENT SYSTEM CHANGES

Sec. 31. (a) Effective July 1, 1984, G.S. 120-4.8(7) is rewritten to read:

"(7) 'Highest annual salary' means the twelve consecutive months of compensation authorized during a member's final legislative term for the highest position that a member ever held as a member of the General Assembly."

The provisions of this subsection shall only effect benefits payable on and after September 1, 1987.

(b) Effective July 1, 1984, G.S. 120-4.16 is amended in the first sentence by deleting the phrase "for membership in the System." and substituting the phrase "to make such repayments and purchases.", and is amended in the second sentence by deleting the phrase "for membership in the System".

(c) Effective September 1, 1987, G.S. 120-4.21(a) is amended in the first and second sentences by deleting the phrase "eight years" in both sentences and substituting the phrase "five years".

(d) Effective September 1, 1987, G.S. 120-4.21(b)(1), 120-4.21(b)(2), 120-4.22(a), and G.S. 120-4.28 are amended by deleting the phrase "eight years" and substituting the phrase "five years".

(e) Effective September 1, 1987, G.S. 120-4.25 is amended in the first sentence by deleting the word "eight" in the two places it appears and substituting the word "five".

Requested by: Sen. Rand, Rep. Bob Etheridge
-----EXECUTIVE OFFICIALS/LONGEVITY PAY

Sec. 32. (a) G.S. 138-4 is amended by adding a new paragraph to read: "Officials whose salaries are covered by the provisions of this section shall be eligible for longevity pay on the same basis as is provided to employees of the State who are subject to the State Personnel Act."

(b) G.S. 58-6, G.S. 95-2, G.S. 106-11, G.S. 114-7, G.S. 115C-20, G.S. 147-33, G.S. 147-35, G.S. 147-64.1, and G.S. 147-65 are each amended by adding a sentence to read: "In addition to the salary set by the General Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on the same basis as is provided to employees of the State who are subject to the State Personnel Act."

(c) Section 46 of Chapter 1282 of the 1981 Session Laws is amended by deleting "Chapter 135", and substituting "Chapters 120 and 135", by rewriting the last sentence to read: "This section shall not apply to participants in the Legislative Intern program or pages.", and by deleting "employees" both times it appears, and substituting "employees and members".

(d) This section shall only effect longevity payments on and after July 1, 1987.

Requested by: Sen. Rand, Rep. Nye
-----ASSISTANT DISTRICT ATTORNEYS & PUBLIC DEFENDERS/LONGEVITY PAY

Sec. 33. (a) G.S. 7A-65(d) reads as rewritten:

"(d) In lieu of merit and other increment raises paid to regular State employees, an assistant district attorney shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, ~~and~~ nine and six-tenths percent (9.6%) after 10 years of service, and fourteen and four-tenths percent (14.4%) after 15 years of service. 'Service' means service as an assistant district attorney."

(b) The first sentence of the last paragraph of G.S. 7A-467 is rewritten to read:

"In lieu of merit and other increment raises paid to regular State employees, an assistant public dedender shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, and fourteen and four-tenths percent (14.4%) after 15 years of service."

Requested by: Sen. Rand, Rep. Watkins
-----MAGISTRATES/LONGEVITY PAY

Sec. 34. G.S. 7A-171.1(a) is amended by adding a new subdivision to read:

"(5) The Administrative Officer of the Courts shall provide magistrates with longevity pay at the same rates as are provided by the

State to its employees subject to the State Personnel Act."

Requested by: Sen. Rand, Rep. Watkins
-----PUBLIC DEFENDERS/LONGEVITY PAY

Sec. 35. The first sentence of the last paragraph of G.S. 7A-465 is rewritten to read:

"In lieu of merit and other increment raises paid to regular State employees, a public defender shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service."

Requested by: Sen. Rand, Rep. Fletcher
-----PART-TIME STATE EMPLOYEES/RETIREMENT & HEALTH BENEFITS

Sec. 36. (a) G.S. 135-1(10) and G.S. 135-40.2(a)(1) are amended by adding a sentence at the end to read: "Employees of State agencies, departments, institutions, boards, and commissions who are employed in permanent job positions on a recurring basis and who work 30 or more hours per week for nine or more months per calendar year are covered by the provisions of this subdivision."

(b) G.S. 135-40.2(b)(4) is amended in the third line by deleting the phrase "above." and by substituting the phrase "above, and who are not covered by the provisions of G.S. 135-40.2(a)(1)."

(c) This section shall become effective September 1, 1987.

Requested by: Sen. Royall, Rep. Watkins
-----TEACHERS, STATE EMPLOYEES, LOCAL EMPLOYEES, LEGISLATORS/ SURVIVOR'S ALTERNATE BENEFIT

Sec. 37. (a) G.S. 135-5(m)(1) reads as rewritten:

"(1) The member had attained such age and/or creditable service to be eligible to commence retirement with an early or service retirement allowance or had attained 20 years of creditable service"."

(b) G.S. 128-27(m)(1) reads as rewritten:

"(1) The member had attained ~~the~~ such age and/or creditable service to be eligible to commence retirement with an early or service retirement allowance or had attained 20 years of creditable service."

(c) G.S. 120-4.28 as amended by this act reads as rewritten:

"§ *120-4.28. Survivor's alternate benefit.*--The designated beneficiary of a member who dies in service before retirement but after age 60 and after completing five years of creditable service or after

completing twelve years of creditable service is entitled to Option 2 prescribed by G.S. 120-4.26."

(d) This section shall become effective September 1, 1987.

Requested by: Sen. Rand, Rep. Nesbitt

-----AGRICULTURAL EXTENSION EMPLOYEES/RETIREMENT OPTIONS

Sec. 38. a) G.S. 128-24(1) reads as rewritten:

"(1) All employees entering or reentering the service of a participating employer after the date of participation in the Retirement System of the employer. On and after July 1, 1965, new extension service employees excluded from coverage under Title II of the Social Security Act in the employ of a county participating in the Local Governmental Employees' Retirement System are hereby excluded from participation in the Teachers' and State Employees' Retirement System to the extent of that part of their compensation derived from a county; provided that on and after July 1, 1965, new extension service employees excluded from coverage under Title II of the Social Security Act who are required to accept a federal Civil Service appointment may elect in writing on a form acceptable to the Retirement System, to be excluded from the Teachers' and State Employees' Retirement System and the local Retirement System. At such time as Cooperative Agricultural Extension Service Employees excluded from coverage under Title II of the Social Security Act become covered by Title II of the Social Security Act, such employees shall no longer be covered by the provisions of this section, provided no accrued rights of these employees under this section prior to coverage by Title II of the Social Security Act shall be diminished."

(b) G.S. 135-3(1) reads as rewritten:

"(1) All persons who shall become teachers or State employees after the date as of which the Retirement System is established. On and after July 1, 1947, membership in the Retirement System shall begin 90 days after the election, appointment or employment of a 'teacher or employee' as the terms are defined in this Chapter. On and after July 1, 1955, membership in the Retirement System shall begin immediately upon the election, appointment or employment of a 'teacher or employee,' as the terms are defined in this Chapter. Under such rules and regulations as the Board of Trustees may establish and promulgate, Cooperative Agricultural Extension Service employees excluded from coverage under Title II of the Social Security Act may in the discretion of the governing authority of a county, become members of the Teachers' and State Employees' Retirement System to the extent of that part of their compensation derived from a county. On and after July 1, 1965, new extension service employees excluded

from coverage under Title II of the Social Security Act in the employ of a county participating in the Local Governmental Employees' Retirement System are hereby excluded from participation in the Teachers' and State Employees' Retirement System to the extent of that part of their compensation derived from a county; provided that on and after July 1, 1965, new extension service employees excluded from coverage under Title II of the Social Security Act who are required to accept a federal civil service appointment may elect in writing, on a form acceptable to the Retirement System, to be excluded from the Teachers' and State Employees' Retirement System and the Local Retirement System; provided further, that effective July 1, 1985, an extension service employee excluded from coverage under Title II of the Social Security Act who is employed in part by a county and who is compensated in whole by the Cooperative Agricultural Extension Service pursuant to a contract where the Cooperative Agricultural Extension Service is reimbursed by the county for the county's share of the compensation shall participate exclusively in the Teachers' and State Employees' Retirement System to the extent of their full compensation. On or after July 1, 1979, upon election, appointment or employment, a legislative employee shall automatically become a member of the Teachers' and State Employees' Retirement System. At such time as Cooperative Agricultural Extension Service Employees excluded from coverage under Title II of the Social Security Act become covered by Title II of the Social Security Act, such employees shall no longer be covered by the provisions of this section, provided no accrued rights of these employees under this section prior to coverage by Title II of the Social Security Act shall be diminished."

Requested by: Sen. Hunt of Durham, Rep. Nesbitt
-----JUDICIAL OFFICIALS, LEGISLATORS/SECOND RETIREMENT BENEFITS

Sec. 39. (a) G.S. 120-4.24 is amended by rewriting the second paragraph to read:

"Upon his subsequent retirement, he shall be paid a retirement allowance determined as follows:

(1) For a member who earns at least three years' membership service after restoration to service, the retirement allowance shall be computed on the basis of his compensation and service before and after the period of prior retirement without restrictions.

(2) For a member who does not earn three years' membership service after restoration to service, the retirement allowance shall be equal to the sum of the retirement allowance to

which he would have been entitled had he not been restored to service, without modification of the election of an optional allowance previously made, and the retirement allowance that results from service earned since being restored to service."

(b) G.S. 135-71(b) is rewritten to read as follows:

"(b) Upon his subsequent retirement, he shall be paid a retirement allowance determined as follows:

(1) For a member who earns at least three years' membership service after restoration to service, the retirement allowance shall be computed on the basis of his compensation and service before and after the period of prior retirement without restrictions; provided, that if the prior allowance was based on a social security leveling payment option, the allowance shall be adjusted actuarially for the difference between the amount received under the optional payment and what would have been paid if the retirement allowance had been paid without optional modification.

(2) For a member who does not earn three years' membership service after restoration to service, the retirement allowance shall be equal to the sum of the retirement allowance to which he would have been entitled had he not been restored to service, without modification of the election of an optional allowance previously made, and the retirement allowance that results from service earned since being restored to service; provided, that if the prior retirement allowance was based on a social security leveling payment option, the prior allowance shall be adjusted actuarially for the difference between the amount that would have been paid for each month had the payment not been suspended and what would have been paid if the retirement allowance had been paid without optional modification.

(3) Subdivision (2) of this section shall apply only to restored members whose initial retirement lasted for more than four calendar months. For restored members whose initial retirement lasted for four or fewer calendar months, subdivision (1) shall apply."

(c) This section shall become effective September 1, 1987.

PART VI.-----DEPARTMENT OF ADMINISTRATION

Requested by: Rep. Watkins, Sen. Royall
-----INCREASED PAYMENTS FOR SURVIVING SPOUSES OF GOVERNORS

Sec. 40. G.S. 147-32 reads as rewritten:

"§ *147-32. Compensation for surviving spouses of Governors.* All surviving spouses of Governors of the State of North Carolina, who make written request to the Director of the Budget, shall be paid the sum of ~~six thousand dollars ($6,000)~~ twelve thousand dollars ($12,000) a year in equal monthly installments, out of the State Treasury upon warrants duly drawn thereon. This compensation shall terminate upon the subsequent remarriage of the surviving spouse."

Requested by: Sen. Thomas, Rep. Murphy
-----NEED BASED STUDENT LOANS TRANSFER

Sec. 41. (a) The responsibility for the Need-Based Student Loans, those loans to students with demonstrated financial need who are residents of North Carolina and who are accepted in an accredited degree-granting program or in an accredited program granting a diploma or an approved certificate, in any school, college or university, leading to graduation as physicians, dentists, optometrists, pharmacists, nurses, nurse instructors, nurse anesthetists, medical technicians, social workers, psychologists or other health professionals, or leading to graduation as mathematicians or scientists, is transferred from the North Carolina Board for Need-Based Student Loans to the State Education Assistance Authority (SEAA) of The University of North Carolina created under Chapter 116, Article 23 of the General Statutes.

(b) All funds previously appropriated but not encumbered or expended by the Office of Budget and Management for student loans and scholarships pursuant to G.S. 143-47.21 through G.S. 143-47.24 as repealed by subsection (c) of this section and for administration thereof shall be transferred to The University of North Carolina to be administered by the State Education Assistance Authority, under such rules and regulations as the State Education Assistance Authority may require including all loans or scholarships repaid to the State pursuant to law. The transfer from the Office of Budget and Management to The University of North Carolina, State Education Assistance Authority, has all the elements of a Type I transfer as defined in G.S. 143A-6(a).

(c) G.S. 143-47.21 through G.S. 143-47.24 are repealed.

(d) G.S. 120-123(33a) is repealed.

(e) The State Education Assistance Authority of The University of North Carolina shall report to the Joint Appropriations Committees on General Government prior to June 1, 1988, on cost savings accomplished by the transfer mandated by this section.

(f) This section is effective upon ratification.

Requested by: Sen. Thomas, Rep. Murphy
-----PUBLIC TELECOMMUNICATIONS POSITION/MATCH REQUIREMENT

Sec. 42. The sum of fifty thousand dollars ($50,000) appropriated in Section 2 of this act for the Agency for Public Telecommunications for each year of the 1987-89 fiscal biennium is subject to a requirement that the funds be matched on a one-to-one basis. Funds not matched at the end of each fiscal year shall revert to the General Fund on June 30 of that fiscal year.

Requested by: Rep. Bob Etheridge
-----MILEAGE CHARGE FOR USE OF STATE VEHICLES

Sec. 43. (a) G.S. 143-341(8)i.6. reads as rewritten:

"6. To allocate and charge against each State agency to which transportation is furnished, on a basis of mileage or of rental, its proportionate part of the cost of maintenance and operation of the motor pool.

The amount allocated and charged by the Department of Administration to State agencies to which transportation is furnished shall be at least ~~twenty cents (20¢) per mile for each motor vehicle~~ as follows:

I. Pursuit vehicles and full size 4-wheel drive vehicles--$.24/mile.

II. Vans and compact 4-wheel drive vehicles--$.22/mile.

III. All other vehicles--$.20/mile."

(b) This section shall become effective September 1, 1987.

Requested by: Rep. Bob Etheridge
-----COMMUTING IN STATE VEHICLES/REIMBURSEMENT

Sec. 44. (a) G.S. 143-341(8)i.7a. reads as rewritten:

"7a. To adopt with the approval of the Governor and to enforce rules, pursuant to Chapter ~~150A~~ 150B of the General Statutes, and to coordinate State policy regarding (i) the permanent assignment of state-owned passenger motor vehicles and (ii) the use of and reimbursement for those vehicles for commuting. For the purpose of this subdivision 7a, 'state-owned passenger motor vehicle' includes any state-owned passenger motor vehicle, whether or not owned, maintained or controlled by the Department of Administration, and

regardless of the source of the funds used to purchase it. Notwithstanding the provisions of G.S. 20-190 or any other provisions of law, all state-owned passenger motor vehicles are subject to the provisions of this subdivision 7a; no permanent assignment shall be made and no one shall be exempt from payment of reimbursement for commuting or from the other provisions of this subdivision 7a except as provided by this subdivision 7a.

A State-owned passenger motor vehicle shall not be permanently assigned to an individual who is likely to drive it on official business at a rate of less than 12,600 miles per year unless (i) the individual's duties are routinely related to public safety or (ii) the individual's duties are likely to expose him routinely to life-threatening situations. A State-owned passenger motor vehicle shall also not be permanently assigned to an agency that is likely to drive it on official business at a rate of less than 12,600 miles per year unless the agency can justify to the Division of Motor Fleet Management the need for permanent assignment because of the unique use of the vehicle. The Department of Administration shall verify, on a quarterly basis, that each motor vehicle has been driven at the minimum allowable rate. If it has not and if the department by whom the individual to which the car is assigned is employed or the agency to which the car is assigned cannot justify the lower mileage for the quarter in view of the minimum annual rate, the permanent assignment shall be revoked immediately.

Every individual who uses a State-owned passenger motor vehicle, pickup truck, or van to drive between his official work station and his home, shall reimburse the State for these trips at a rate computed by the Department. This rate shall approximate the benefit derived from the use of the vehicle as prescribed by federal law. Reimbursement shall be for 20 days per month regardless of how many days the individual uses the vehicle to commute during the month. Reimbursement shall be made by payroll deduction. Funds derived from reimbursement on vehicles owned by the Motor Fleet Management Division shall be deposited to the credit of the Division; funds derived from reimbursements on vehicles initially purchased with appropriations from the Highway Fund and not owned by the Division shall be deposited in a Special Depository Account in the Department of Transportation, which shall revert to the Highway Fund; funds derived from reimbursement on all other vehicles shall be deposited in a Special Depository Account in the Department of Administration which shall revert to the General Fund. Commuting, for purposes of this paragraph, does not include those individuals whose office is in their home, as determined by the Department of Administration, Division of Motor Fleet Management. Also, this

paragraph does not apply to the following vehicles: (i) clearly marked police and fire vehicles, (ii) delivery trucks with seating only for the driver, (iii) flatbed trucks, (iv) cargo carriers with over a 14,000 pound capacity, (v) school and passenger buses with over 20 person capacities, (vi) ambulances, (vii) hearses, (viii) bucket trucks, (ix) cranes and derricks, (x) forklifts, (xi) cement mixers, (xii) dump trucks, (xiii) garbage trucks, (xiv) specialized utility repair trucks (except vans and pickup trucks), (xv) tractors, (xvi) unmarked law-enforcement vehicles that are used in undercover work and are operated by full-time, fully sworn law enforcement officers whose primary duties include carrying a firearm, executing search warrants, and making arrests, and (xvii) any other vehicle exempted under Section 274(d) of the Internal Revenue Code of 1954, and Federal Internal Revenue Services regulations based thereon. The Department of Administration, Division of Motor Fleet Management, shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office on individuals who use State-owned passenger motor vehicles, pickup trucks, or vans between their official work stations and their homes, who are not required to reimburse the State for these trips.

The Department of Administration shall revoke the assignment or require the Department owning the vehicle to revoke the assignment of a State-owned passenger motor vehicle, pick-up truck or van to any individual who:

I. Uses the vehicle for other than official business except in accordance with the commuting rules;

II. Fails to supply required reports to the Department of Administration, or supplies incomplete reports, or supplies reports in a form unacceptable to the Department of Administration and does not cure the deficiency within 30 days of receiving a request to do so;

III. Knowingly and willfully supplies false information to the Department of Administration on applications for permanent assignments, commuting reimbursement forms, or other required reports or forms;

IV. Does not personally sign all reports on forms submitted for vehicles permanently assigned to him and does not cure the deficiency within 30 days of receiving a request to do so;

V. Abuses the vehicle; or

VI. Violates other rules or policy promulgated by the Department of Administration not in conflict with this act.

A new requisition shall not be honored until the Secretary of the Department of Administration is assured that the violation for which a

vehicle was previously revoked will not recur.

The Department of Administration, with the approval of the Governor, may delegate, or conditionally delegate, to the respective heads of agencies which own passenger motor vehicles or to which passenger motor vehicles are permanently assigned by the Department, the duty of enforcing all or part of the rules adopted by the Department of Administration pursuant to this subdivision 7a. The Department of Administration, with the approval of the Governor, may revoke this delegation of authority.

Prior to adopting rules under this paragraph, the Secretary of Administration may consult with the Advisory Budget Commission."

(b) This section shall become effective September 1, 1987.

Requested by: Rep. Bob Etheridge

-----MOTOR FLEET MANAGEMENT PROCEDURES SIMPLIFIED

Sec. 45. G.S. 143-341(8)i.5. reads as rewritten:

"5. Upon proper requisition, proper showing of need for use on State business only, and proper showing of proof that all persons who will be driving the motor vehicle have valid ~~driver's~~ drivers' licenses, to assign suitable transportation, either on a temporary or permanent basis, to any State employee or agency. An agency assigned a motor vehicle may not allow a person to operate that motor vehicle unless that person displays to the agency and allows the agency to copy that person's valid ~~drivers'~~ driver's license. ~~The agency shall send a copy of the driver's license of each person operating the motor vehicle to the Department of Administration, Division of Motor Fleet Management.~~ Notwithstanding G.S. 20-30(6), persons or agencies requesting assignment of motor vehicles may photostat or otherwise reproduce drivers' licenses for purposes of complying with this subpart.

As used in this subpart, 'suitable transportation' means the standard vehicle in the State motor fleet, unless special towing provisions are required by the employee or agency. The Department may not assign any employee or agency a motor vehicle that is not suitable."

Requested by: Rep. Bob Etheridge

-----STATE BUILDING COMMISSION/REALLOCATION OF FUNDS

Sec. 46. (a) Of the funds appropriated in Chapter 1014 of the 1985 Session Laws (Regular 1986 Session) to the Department of Administration, State Building Division, to conduct an operations and maintenance study of all State buildings and to develop a software package for a capital facilities maintenance program, all funds that are

unexpended or unencumbered on June 30, 1987, are reappropriated and reallocated for use by the State Building Commission. The State Building Commission may use these funds to conduct an operations and maintenance study of all State buildings and to develop a software package for a capital facilities maintenance program, for operating expenses, for outside contracted services, and for other activities of the State Building Commission. These funds shall remain available for expenditure until June 30, 1989.

(b) This section shall become effective June 30, 1987.

Requested by: Rep. Watkins

-----SALE OR ALLOCATION OF PROPERTY/CONSULTATION WITH JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS

Sec. 47. (a) G.S. 143-341(4)g. reads as rewritten:

"g. To allocate and reallocate land, buildings, and space in buildings to the several State agencies, in accordance with rules adopted by the Governor with the approval of the Council of ~~State. Provided, that the~~ State; provided that if the proposed reallocation is of land with an appraised value of at least twenty-five thousand dollars ($25,000), the reallocation may only be made after consultation with the Joint Legislative Commission on Governmental Operations. The authority granted in this paragraph shall not apply to the State Legislative Building and ~~grounds.~~ grounds or to the Legislative Office Building and grounds."

(b) G.S. 146-27 reads as rewritten:

"§ *146-27. The role of the Department of Administration in sales, leases, and rentals.*--Every sale, lease, or rental of land owned by the State or by any State agency shall be made by the Department of Administration and approved by the Governor and Council of ~~State.~~ State; provided that if the proposed disposition is a sale of land with an appraised value of at least twenty-five thousand dollars ($25,000), the sale may only be made after consultation with the Joint Legislative Commission on Governmental Operations. The Department of Administration may initiate proceedings for sales, leases, and rentals of land owned by the State or by any State agency."

(c) This section is effective upon ratification.

Requested by: Sen. Seymour

-----WOMEN IN THE ECONOMY PROGRAM/TRANSFER OF PERSONNEL POSITION

Sec. 48. (a) Personnel position 4156-0000-0014-050 is transferred from the Department of Administration to the Department of Commerce.

The Department of Commerce shall report to the Joint Legislative Commission on Governmental Operations prior to February 1, 1988, on how the position is being used by the Department.

(b) This section is effective upon ratification.

Requested by: Sen. Rand, Rep. Watkins

-----STATE BUILDINGS STUDY

Sec. 49. The Joint Legislative Commission on Governmental Operations may study the use of all vacant and underutilized State buildings. The Joint Legislative Commission on Governmental Operations may hire a consultant to assist it with this study in accordance with G.S. 120-79.

Requested by: Sen. Thomas, Rep. Hunter

-----POLK YOUTH CENTER LAND APPRAISAL

Sec. 50. The Department of Administration shall conduct an appraisal of the land on which the Polk Youth Center is constructed. The appraisal shall be completed by February 15, 1988, and the results reported to the Joint Legislative Commission on Governmental Operations at its February 1988 meeting.

Requested by: Sen. Basnight

-----ROANOKE ISLAND CENTER HANDICAPPED PARKING SPACES FUNDS

Sec. 51. Of the funds appropriated in Section 2 of this act to the Department of Administration for the Marine Resources Centers, a sum of up to two thousand dollars ($2,000) for the 1987-88 fiscal year shall be used to pave the six handicapped parking spaces at the Roanoke Island Center in Dare County.

Requested by: Rep. Bob Etheridge

-----SMALL BUSINESSES/STATE CONTRACTS

Sec. 52. (a) Of the funds appropriated in a reserve to the Office of State Budget and Management in Section 2 of this act, the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year shall be used by the Department to:

(1) identify small businesses, especially those owned by minorities, disabled persons, and women, that could do business with the State, and to provide pre- and post-bid information and assistance to these businesses on how to do business with the State;

(2) publish and distribute to State purchasers a directory of small business enterprises, especially those owned by minorities, disabled persons, and women; and

(3) establish a system to monitor, record, and measure the use of small businesses, especially those owned by minorities, disabled persons, and women, by the State.

(b) The General Assembly urges all subdivisions and agencies of the State, all local governments, and all other entities, authorized to use the services of the Department of Administration in the purchase of materials, supplies, and equipment, (i) to participate in a Program to Encourage Business Enterprises Owned by Minority, Women and Disabled Persons, and (ii) to purchase a minimum of four percent (4%) of their contract purchases from businesses owned by minorities, disabled persons, and women, provided that the purchases comply with the policy set forth in G.S. 143-48.

All participating entities required to use the services of the Department of Administration in the purchase of materials, supplies, and equipment shall report to the Department of Administration in March of 1988 on what percentage of their contract purchases were from businesses owned by minorities, disabled persons, and women.

PART VII.-----DEPARTMENT OF CULTURAL RESOURCES

Requested by: Rep. Murphy
-----STATE HISTORIC SITE SCHEDULE

Sec. 53. The Department of Cultural Resources shall operate the State Historic Sites so that the State is not obligated to pay overtime to employees for the regular operation of the sites.

The Department shall report by January 1 of each year to the chairmen of the Appropriations Base Budget and Appropriations Expansion Budget Committees of the Senate and the House of Representatives and to the Fiscal Research Division on the net operating cost per visitor at each site.

Requested by: Rep. Hunter; Sen. Rand
-----ART MUSEUM SECURITY

Sec. 54. Of the funds appropriated in Section 2 of this act to the Department of Cultural Resources for the Museum of Art, the sum of sixty-seven thousand nine hundred sixty-nine dollars ($67,969) for the 1987-88 fiscal year and the sum of sixty-eight thousand seventy-one dollars ($68,071) for the 1988-89 fiscal year, appropriated for two Arts Development positions, may be used to provide additional security for the Art Museum provided private funds of like amounts are raised to support the Arts Development positions.

PART VIII.-----GENERAL ASSEMBLY

Requested by: Sen. Plyler
-----LEGISLATIVE INTERNS

Sec. 55. Of the funds appropriated in Section 2 of this act to the General Assembly for the 1988-89 fiscal year, eight thousand eight hundred dollars ($8,800) shall be used to provide two additional legislative interns for the Senate.

Requested by: Rep. Watkins
-----TOBACCO CONFERENCE FUNDS

Sec. 56. From funds appropriated to the General Assembly the Legislative Services Commission shall allocate the sum of four thousand dollars ($4,000) for the 1987-88 fiscal year to help host the Tobacco Conference of the States to be held in Raleigh during September 1987.

PART IX.-----OFFICE OF STATE BUDGET AND MANAGEMENT

Requested by: Rep. Watkins, Sen. Royall
-----RESERVE FOR INDUSTRIAL DEVELOPMENT

Sec. 57. Funds in the amount of eight million two hundred fifty thousand dollars ($8,250,000) are appropriated in Section 2 of this act to the Office of State Budget and Management, Reserve for Industrial Development. The Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations on how it intends to spend these funds prior to committing or spending the funds.

Requested by: Sen. Rand, Sen. Plyler
-----TRAVEL, TRANSPORTATION AND SUBSISTENCE ALLOWANCES

Sec. 58. (a) G.S. 138-5(a)(2) reads as rewritten:

"(2) ~~A subsistence allowance of~~

~~a. Fifteen dollars ($15.00) per day for each day of service when the member did not spend the night away from his home,~~

~~b. Fifty-two dollars ($52.00) per day for each day of service when the member spent the night away from his home;~~

Reimbursement of subsistence expenses at the rates allowed to State officers and employees by subdivision (3) of G.S. 138-6(a)."

(b) G.S. 138-5(d) reads as rewritten:

"(d) ~~The subsistence allowances provided in this section shall be paid without requiring the claimant to file any vouchers covering actual expenditures for meals or lodging.~~" The subsistence reimbursement for actual lodging expenses provided in this section must be documented by a receipt of lodging expenses from a commercial establishment."

(c) G.S. 138-6(a)(3) reads as rewritten:

"(3) ~~In lieu of actual~~ For expenses incurred for subsistence, payment of fifty-two dollars ($52.00) per day when traveling in-State or sixty-four dollars ($64.00) per day when traveling out-of-state. When travel involves less than a full day (24-hour period), a reasonable prorated amount shall be paid in accordance with regulations and criteria which shall be promulgated and published by the Director of the Budget. Reimbursement to State employees for lunches eaten while on official business may be made only in the following circumstances:

a. When an overnight stay is required reimbursement is allowed while an employee is in travel status;

b. When the cost of the lunch is included as part of a registration fee for a formal congress, conference, assembly, or convocation, by whatever name called. Such assembly must involve the active participation of persons other than the employees of a single State department, institution, or agency and must be necessary for conducting official State business."

(d) G.S. 138-6(c) reads as rewritten:

"(c) ~~Costs of overnight stays.~~ Reimbursement of actual costs of overnight lodging, whether in-state or out-of-state, ~~shall not be reimbursed without prior written approval of the official designated by the head of the department or agency. The statement of prior approval shall~~ must be documented by a receipt of actual lodging expenses from a commercial establishment. This documentation shall be attached to the reimbursement request. All reimbursement requests shall be filed for approval and payment within 30 days after the travel period for which the reimbursement is being requested."

(e) This section shall become effective September 1, 1987.

Requested by: Sen. Thomas, Rep. Murphy

-----OFFICE OF STATE CONTROLLER/AMENDMENTS

Sec. 59. (a) The following amendments are in keeping with the duties of the Office of State Controller created in the 1985 Session (Regular Session, 1986) of the General Assembly:

(1) G.S. 147-86.11(a) reads as rewritten:

"(a) The ~~Director of the Budget,~~ State Controller, with the advice and assistance of the State Treasurer, ~~State Controller,~~ State Budget Officer, and the State Auditor, shall develop, implement and amend as necessary a uniform statewide plan to carry out the cash management policy for all State agencies."

(2) G.S. 143B-426.39(9) reads as rewritten:

"(9) ~~Advise and assist the Director of the Budget with regard to the development and implementation of the State cash management policy,~~ Develop, implement, and amend as necessary a uniform statewide plan to carry out the cash management policy for all State agencies in accordance with G.S. 147-86.11."

(b) This section is effective upon ratification.

Requested by: Rep. Bob Etheridge

-----SUBSISTENCE/STATE EMPLOYEES WHO SERVE ON BOARDS, ETC.

Sec. 60. (a) G.S. 138-6(a)(3) as rewritten by this act reads as rewritten:

" (3) For actual expenses incurred for subsistence, payment of fifty-two dollars ($52.00) per day when traveling in-state or sixty-four dollars ($64.00) per day when traveling out-of-state. When travel involves less than a full day (24-hour period), a reasonable prorated amount shall be paid in accordance with regulations and criteria which shall be promulgated and published by the Director of the Budget. Reimbursement to State employees for lunches eaten while on official business may be made only in the following circumstances:

a. When an overnight stay is required reimbursement is allowed while an employee is in travel status;

b. When the cost of the lunch is included as part of a registration fee for a formal congress, conference, assembly, or convocation, by whatever name called. Such assembly must involve the active participation of persons other than the employees of a single State department, institution, or agency and must be necessary for conducting official State business~~.~~ ; or

c. When the State employee is a member of a State board, commission, committee, or council which operates from funds deposited with the State Treasurer, and the lunch is preplanned as part of the meeting for the entire board, commission, committee, or council."

(b) This section shall become effective September 1, 1987.

Requested by: Sen. Plyler, Rep. Watkins, at the request of the Legislative Services Commission

-----STATEMENTS ON LEGISLATIVE AND JUDICIARY EXPENDITURES

Sec. 61. G.S. 143-8 reads as rewritten:

"§ 143-8. ~~**Statements of State Disbursing Officer as to legislative expenditures**~~ **Reporting of legislative and judicial expenditures and financial needs.**-- On or before the first day of September, biennially, in the even-numbered years, the ~~State Disbursing Officer~~ Legislative Administrative Officer shall furnish the Director a detailed statement of expenditures of the General Assembly for the current fiscal biennium, and an estimate of its financial needs, itemized in accordance with the budget classification adopted by the Director and approved and certified by the President pro tempore of the Senate and the Speaker of the House for each year of the ensuing biennium, beginning with the first day of July ~~thereafter,~~ thereafter. The Administrative Officer of the Courts shall furnish the Director ~~and~~ a detailed statement of expenditures of the judiciary, and ~~any other institution or commission that may be requested by the Director~~ for each year of the current fiscal ~~biennum, and upon such request by the Director~~ biennium an estimate of its financial needs as provided by law, itemized in accordance with the budget classification adopted by the Director and approved and certified by the Chief Justice for each year of the ensuing biennium, beginning with the first day of July thereafter. ~~The State Disbursing Officer shall transmit to the Director with these estimates an explanation of all increases or decreases.~~ The Director shall include these estimates and accompanying explanations in the budget submitted ~~These estimates and accompanying explanations shall be included in the budget by the Director~~ with such recommendations as the Director may desire to make in reference thereto."

Requested by: Sen. Plyler

-----STATE CONTROLLER/TECHNICAL CORRECTION

Sec. 62. G.S. 147-64.6(c)(10) reads as rewritten:

"(10) The Auditor may, as often as he deems advisable, conduct a detailed review of the bookkeeping and accounting systems in use in the various State agencies which are supported partially or entirely from State funds. Such examinations will be for the purpose of evaluating the adequacy of systems in use by these agencies and institutions. In instances where the Auditor determines that existing systems are outmoded, inefficient, or otherwise inadequate, he shall recommend changes to the State Controller. The State Controller shall

prescribe and supervise the installation of such changes, as provided in G.S. 143B-426.39 (2). ~~Equipment of related software to be used, in whole or in part, to operate the accounting system may be acquired only upon the prior written approval of the Auditor.~~ "

PART X.-----OFFICE OF THE STATE TREASURER

Requested by: Rep. Hunter
-----ADDITIONAL APPROPRIATIONS FROM RETIREMENT SYSTEM TRUST FUND RECEIPTS/DEPARTMENT OF STATE TREASURER

Sec. 63. There is appropriated from the Retirement System's trust funds to the Department of State Treasurer for use by the Retirement Systems Division the following amounts:

Program Changes	1987-88	1988-89
(1) Creation of a Register of Deeds Supplemental Pension Fund, but only if House Bill 1295, 1987 Session is ratified	$ 35,000	$ 25,000
(2) Creation of a Teachers' and State Employees' Disability Income Plan	$105,000	$ 75,000
(3) Creation of a Fully Contributory Death Benefit Plan for Retired Employees, but only if House Bill 852, 1987 Session is ratified	$ 90,000	$ 75,000
(4) Notification of Benefit Rights to Holders of Inactive Retirement Accounts, as provided by Chapter 539, 1987 Session Laws	$ 75,000	$ 75,000

Requested by: Sen. Royall
-----APPROPRIATIONS/POSITIONS/DEPARTMENT OF STATE TREASURER

Sec. 64. The Department of State Treasurer shall not expend any funds or add any positions except as authorized by law.

PART XI.-----DEPARTMENT OF REVENUE

Requested by: Rep. Hunter
-----DEPARTMENT OF REVENUE RESERVE

Sec. 65. Funds in the amount of one million six hundred sixty thousand seven hundred fourteen dollars ($1,660,714) are appropriated for the 1988-89 fiscal year in Section 2 of this act to a Reserve Fund for Management Information Systems Division of the Department of Revenue. The State Budget Office shall allot this sum to the Department of Revenue only after the Secretary of the Department of Revenue, the State Controller, and the Chief of the State Information Processing Services have presented a report and Information Systems Plan for the Department of Revenue to the Joint Legislative Commission on Governmental Operations. This joint report from these agencies shall be presented to the Joint Legislative Commission on Governmental Operations not sooner than January 1, 1988, but not later than March 1, 1988. The report's contents shall include, but not be limited to, a detailed description of how these funds will be expended from the line item budget codes 4200 and 5200 for the acquisition of computer equipment and services to support the information systems operation at the Department of Revenue. The report and Information Systems Plan shall include, but not be limited to, a detailed plan for any merger of functions, operations, and computer processing between the Department of Revenue Computer Center and the State Computer Center operated by the State Information Processing Services. The Department of Revenue may not commit prior to July 1, 1988, any of these funds for expenditure.

Requested by: Rep. Hunter, Sen. Thomas
-----NEW REVENUE DEPARTMENT COSTS DRAWN FROM PROCEEDS

Sec. 66. (a) To pay for the cost of preparing, printing, publishing, and mailing to certain employers revised income tax withholding instructions and returns required due to the enactment of Chapter 622 of the 1987 Session Laws and the cost of processing the additional returns, the Department of Revenue shall retain the sum of two hundred eighty-one thousand two hundred fifty-two dollars ($281,252) from the collections received by the Department during February 1988 under Article 4A of Chapter 105 of the General Statutes, and shall retain the sum of two hundred thousand nine hundred sixty-one dollars ($200,961) from the collections received by the Department during February 1989 under Article 4A of Chapter 105 of the General Statutes.

Such funds shall be expended as follows:

Purpose	1987-88	1988-89
Revenue Officers	$55,099	$55,099
Individual Income Tax	88,164	88,164
Accounting Division	20,127	20,127
General Services	25,170	25,170
Non-Recurring	10,971	
Management Information Services	12,401	12,401
Non-Recurring	69,320	

(b) To pay for the cost of addressing transition problems resulting from the elimination of the discount allowed taxpayers for collecting the State and local sales tax under Chapter 622 of the 1987 Session Laws, the Department of Revenue shall retain the sum of forty thousand five hundred seventy-one dollars ($40,571) from the collections received by the Department during September 1987 under Article 5 of Chapter 105 of the General Statutes.

PART XII.-----DEPARTMENT OF HUMAN RESOURCES

Requested by: Sen. Walker, Reps. Nye, Locks
-----MEDICAID

Sec. 67. (a) Appropriations in Section 2 of this act for services provided in accordance with Title XIX of the Social Security Act (Medicaid) are for both the categorically needy and the medically needy. Funds appropriated for these services shall be expended in accordance with the following schedule of services and payment bases. All services and payments are subject to the language at the end of this subsection.

Services and payment bases:

(1) *Hospital-Inpatient* - Payment for hospital inpatient services will be based on a prospective rate reimbursement plan as established by the Department of Human Resources. Administrative days for any period of hospitalization shall be limited to a maximum of three days.

(2) *Hospital-Outpatient* - Eighty percent (80%) of allowable costs or a prospective reimbursement plan as established by the Department of Human Resources.

(3) *Mental or Specialty Hospitals, Skilled Nursing Facilities, and Intermediate Care Facilities* - Mental or Specialty Hospitals - Allowable costs or prospective reimbursement if approved by the Director of the Budget. Skilled Nursing Facilities and Intermediate Care Facilities - as prescribed under the State Plan for Reimbursing Long-Term Care Facilities.

Skilled nursing facility participation in the Medicare program is a condition of participation in the North Carolina Medicaid skilled nursing facility program.

(4) *Intermediate Care Facilities for the Mentally Retarded* - As prescribed under the State Plan for reimbursing intermediate care facilities for the mentally retarded.

(5) *Drugs* - Drug cost as allowed by federal regulations plus three dollars eighty-five cents ($3.85) professional services fee per month excluding refills for the same drug or generic equivalent during the same month. Reimbursement shall be available for up to six prescriptions per recipient, per month, including refills. Payments for drugs are subject to the provisions of subsection (g) of this section and to the provisions at the end of subsection (a) of this section, or in accordance with a plan adopted by the Department of Human Resources consistent with federal reimbursement regulations.

(6) *Physicians, Chiropractors, Podiatrists, Optometrists, Dentists* - Fee schedules as developed by the Department of Human Resources. Payments for dental services are subject to the provisions of subsection (f) of this section.

(7) *Community Alternative Program, EPSDT Screens* - Payment to be made in accordance with a rate schedule developed by the Department of Human Resources.

(8) *Home Health, Clinic Services, Mental Health Clinics, Prepaid Health Plans* - Payment to be made according to reimbursement plans developed by the Department of Human Resources.

(9) *Medicare Buy-In* - Social Security Administration premium.

(10) *Ambulance Services* - Uniform fee schedules as developed by the Department of Human Resources.

(11) *Hearing Aids* - Actual cost plus a dispensing fee.

(12) *Rural Health Clinic Services* - Provider based - reasonable cost; nonprovider based - single cost reimbursement rate per clinic visit.

(13) *Family Planning* - Negotiated rate for local health departments. For other providers - see specific services, for instance, hospitals, physicians.

(14) *Independent Laboratory and X-Ray Services* - Uniform fee schedules as developed by the Department of Human Resources.

(15) *Optical Supplies* - One hundred percent (100%) of reasonable wholesale cost of materials.

(16) *Ambulatory Surgical Centers* - Negotiated rates, established by the Department of Human Resources.

(17) *Medicare Crossover Claims* - Actual coinsurance or deductible or both.

(18) *Physical Therapy and Speech Therapy* - Services limited to EPSDT eligible children. Payments are to be made only to the Crippled Children's Program at rates negotiated by the Department of Human Resources.

(19) *Personal Care Services* - Payment in accordance with plan approved by the Department of Human Resources.

(20) *Case Management Services* - Reimbursement in accordance with the availability of funds to be transferred within the Department of Human Resources.

(21) *Hospice* - Services may be provided in accordance with plan developed by the Department of Human Resources.

Reimbursement is available for up to 24 visits per recipient per year to any one or combination of the following: physicians, clinics, hospital outpatient, optometrists, chiropractors, and podiatrists. Prenatal services, EPSDT screens, and emergency rooms are exempt from the visit limitations contained in this paragraph. Exceptions may be authorized by the Department of Human Resources where the life of the patient would be threatened without such additional care. Any person who is determined by the Department to be exempt from the 24-visit limitation may also be exempt from the six-prescription limitation.

Any changes in services or bases of payment in the Medicaid program must be approved by the Director of the Budget with the advice of the Advisory Budget Commission.

(b) Allocation of Nonfederal Cost of Medicaid. The State shall pay eighty-five percent (85%) and the counties shall pay fifteen percent (15%) of the nonfederal costs of all applicable services listed in this section.

(c) Co-payment for Medicaid Services. The Department of Human Resources may establish co-payment up to the maximum permitted by federal law and regulation.

(d) Medicaid and Aid to Families with Dependent Children Income Eligibility Standards. Effective until January 1, 1988, the maximum net family annual income eligibility standards for Medicaid

and Aid to Families with Dependent Children and the Standard of Need for Aid to Families with Dependent Children shall continue as set by Section 118 of Chapter 1014 of the 1985 Session Laws, Regular Session, 1986. Effective January 1, 1988, the maximum net family annual income eligibility standards for Medicaid and Aid to Families with Dependent Children, and the Standard of Need for Aid to Families with Dependent Children shall be as follows:

Categorically Needy		Medically Needy	
Family Size	Standard Of Need	AFDC Payment Level*	AA,AB,AD
1	$ 4,248	$ 2,124	$ 2,900
2	5,544	2,772	3,700
3	6,384	3,192	4,300
4	6,984	3,492	4,700
5	7,608	3,804	5,100
6	8,208	4,104	5,500
7	8,760	4,380	5,900
8	9,168	4,584	6,200.

*Aid to Families with Dependent Children (AFDC); Aid to the Aged (AA); Aid to the Blind (AB); and Aid to the Disabled (AD).
The payment level for Aid to Families with Dependent Children shall be fifty percent (50%) of the standard of need.

These standards may be changed with the approval of the Director of the Budget with the advice of the Advisory Budget Commission.

(e) Spouse Responsibility. Notwithstanding the provisions of G.S. 108A-61, the Department of Human Resources, Division of Medical Assistance, may not consider the income or assets of the spouse of a person who is admitted as a long-term care patient in a certified public or private intermediate care or skilled nursing facility to be available to the institutionalized person.

(f) Dental Coverage Limits. Dental services will be provided on a restricted basis in accordance with regulations developed by the Department. Funds for dental services shall be disbursed only with prior approval by the Department of Human Resources, Division of Medical Assistance, as required by this subsection. No prior approval shall be required for emergency services or routine services. Routine services are defined as examinations, X rays, prophylaxes, nonsurgical tooth extractions, amalgam fillings, and fluoride treatments. Prior approval shall be required for all other services and for routine services performed more than two times during a consecutive 12-

month period. The Department of Human Resources shall adopt rules, as provided by the Administrative Procedure Act, to implement this subsection.

(g) Dispensing of Generic Drugs. Notwithstanding G.S. 90-85.27 through G.S. 90-85.31, under the Medical Assistance Program (Title XIX of the Social Security Act) a prescription order for a drug designated by a trade or brand name shall be considered to be an order for the drug by its established or generic name, except when the prescriber personally indicates, either orally or in his own handwriting on the prescription order, "dispense as written" or words of similar meaning.

As used in this subsection "brand name" means the proprietary name the manufacturer places upon a drug product or on its container, label, or wrapping at the time of packaging; and "established name" has the same meaning as in Section 502(e)(3) of the Federal Food, Drug and Cosmetic Act as amended, 21 U.S.C. 352(e)(3).

(h) Exceptions to Service Limitations, Eligibility Requirements, and Payments. Service limitations, eligibility requirements, and payments bases in this section may be waived by the Department of Human Resources, with the approval of the Director of the Budget, to allow the Department to carry out pilot programs for prepaid health plans or community based services programs in accordance with plans approved by the U.S. Department of Health and Human Services, or when the Department determines that such a waiver will result in a reduction in the total Medicaid costs for the recipient.

(i) Volume Purchase Plans and Single Source Procurement. The Department of Human Resources, Division of Medical Assistance, may, subject to the approval of a change in the State Medicaid Plan, contract for services, medical equipment, supplies, and appliances by implementation of volume purchase plans, single source procurement or other similar processes in order to improve cost containment.

(j) Cost Containment Programs. The Department of Human Resources, Division of Medical Assistance, may undertake cost containment programs including preadmissions to hospitals and prior approval for certain outpatient surgeries before they may be performed in an inpatient setting.

(k) The Department of Human Resources, Division of Medical Assistance, shall develop, as part of the Medicaid Hospital Reimbursement Plan, a method for increasing per diem rates to those hospitals serving a disproportionate share of indigent patients. A disproportionate share shall be measured by a combination of total Medicaid revenues, bad debts, and charity care as a percentage of

gross patient revenues. If a hospital's share of indigent care exceeds twenty percent (20%) of gross patient revenues, it is eligible to receive an increase not to exceed five percent (5%) in its Medicaid per diem rate.

In order for a hospital to participate in this program, it shall submit financial information on gross patient revenues, charity care, bad debts, and Medicaid revenues to the Department of Human Resources, Division of Medical Assistance.

Requested by: Sen. Walker, Reps. Locks, Nye
-----CHILDREN IN LONG TERM CARE/INCOME

Sec. 68. G.S. 143-127.1 is amended by rewriting subsection (d) to read:

"(d) Notwithstanding any other provision of law, for the purposes of determining eligibility for medical assistance under Title XIX of the Social Security Act, the income and financial resources of the natural or adoptive parents of a person who is under the age of 19 and who is a patient in a medical institution shall not be counted if the patient's physician certifies that the care and treatment is expected to exceed 12 months."

Requested by: Sen. Rand
-----MEDICAID/19-21 YEAR OLDS

Sec. 69. (a) Effective January 1, 1988, the Department of Human Resources shall provide Medicaid to 19, 20, and 21 year olds in accordance with federal rules and regulations.

(b) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Medical Assistance, the sum of one hundred forty-seven thousand dollars ($147,000) for the 1987-88 fiscal year and the sum of two hundred ninety-three thousand dollars ($293,000) for the 1988-89 fiscal year, shall be used to implement this section.

Requested by: Sen. Walker, Rep. Locks
-----MEDICAID COVERAGE FOR PREGNANT WOMEN AND FOR CHILDREN

Sec. 70. Effective October 1, 1987, the Department of Human Resources may provide Medicaid coverage, to the extent permitted by federal law, for pregnant women and for children up to age five, whose family income is equal to or less than one hundred percent (100%) of the federal poverty guidelines as revised annually by the United States Department of Health and Human Services. Services to pregnant women eligible under this provision continue throughout the pregnancy but include only those services related to pregnancy and to

those other conditions determined by the Department as conditions that may complicate pregnancy. In order to reduce county administrative costs and to expedite the provision of medical service to pregnant women and to children eligible under this section, no resource test shall be applied.

By March 1, 1988, the Department of Human Resources shall adopt rules to allow qualified providers to make initial eligibility determinations for pregnant women in accordance with federal law.

Requested by: Sen. Walker
-----INDIGENT CARE STUDY COMMISSION

Sec. 71. (a) The Indigent Health Care Study Commission, established by Section 6.1 of Chapter 792 of the 1985 Session Laws, is continued as prescribed by this act.

(b) Duties of the Commission. The Commission shall study the issues of access to and financing of health care services for North Carolinians who are unable to pay for their medical care. Among the issues to be examined by the Commission are the following:

(1) The identification of the medically indigent, including an examination of the uninsured and the underinsured;

(2) The barriers, if any, that the medically indigent face in receiving timely and cost-effective health care under the current health care system;

(3) The effects that the trend toward prospective reimbursement in a more competitive health care environment will have on the ability of health care providers to deliver health care to uninsured or underinsured citizens;

(4) The identification of the entities that currently pay for the health care provided to the medically indigent, and an examination of the distribution of the financial burden of providing health care to the medically indigent among hospitals, physicians, HMOs, counties, third-party insurers, employers, the State of North Carolina, the federal government and the medically indigent;

(5) The current extent of State and local responsibility for providing health care to the medically indigent; and

(6) The different options for financing and delivering health care to the medically indigent.

(c) The Commission shall consist of 16 members, as follows:

(1) The Secretary of the Department of Human Resources shall serve ex officio as a voting member;

(2) The Insurance Commissioner shall serve ex officio as a voting member;

(3) Three members of the House of Representatives appointed by the Speaker of the House;
(4) Three members of the Senate appointed by the President of the Senate;
(5) One hospital administrator appointed by the Governor;
(6) One representative of county government and one county public health director, both appointed by the Speaker of the House;
(7) One medical physician who provides a substantial amount of health care to indigents, appointed by the Governor;
(8) One representative of a health insurance company providing a substantial number of North Carolina citizens with health insurance and one licensed nurse, both appointed by the President of the Senate;
(9) One advocate for low income people who is familiar with indigent health care issues appointed by the Speaker of the House; and
(10) One representative from the business community appointed by the President of the Senate.

Any vacancy shall be filled by the appointing authority who appointed the person causing the vacancy. All initial appointments shall be made within one calendar month from the effective date of this Part.

(d) The Commission shall have its initial meeting no later than September 15, 1987, at the call of the President of the Senate and Speaker of the House. The President of the Senate and the Speaker of the House of Representatives shall appoint a cochairman each from the membership of the Commission. The Commission shall meet upon the call of the cochairmen.

(e) The Commission members shall receive no salary serving on the Commission but shall receive necessary subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5 and G.S. 138-6, as applicable.

(f) The Commission may hold public meetings across the State to solicit public input with respect to the issues of access to and financing of health care services to the medically indigent.

(g) The Commission shall have the authority to obtain information and data from all State officers, agents, agencies and departments, while in discharge of its duties, pursuant to the provisions of G.S. 120-19, as if it were a committee of the General Assembly. The Commission shall also have the authority to call witnesses, compel testimony relevant to any matter properly before the Commission, and subpoena records and documents, provided that any patient record shall have patient identifying information removed. The

provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission as if it were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this section, the subpoena shall also be signed by the cochairmen of the Commission. Any cost of providing information to the Commission not covered by G.S. 120-19.3 may be reimbursed by the Commission from funds appropriated for the Commission's study.

(h) The Commission shall report to the General Assembly and the Governor the results of its study and recommendations. The final report shall be submitted during the 1989 Session of the General Assembly.

(i) At the request of the Commission, the Legislative Services Commission may supply members of the staff of the Legislative Services Office and clerical assistance to the Commission as it deems appropriate.

(j) The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building.

(k) Of the funds appropriated from the General Fund to the Legislative Services Commission by Section 2 of this act, the sum of twenty-five thousand dollars ($25,000) for the 1987-88 fiscal year shall be used to fund the study authorized by this section.

Requested by: Sen. Walker, Rep. Locks
-----ADOPTION SUBSIDY

Sec. 72. The adoption subsidy paid monthly by the Division of Social Services to eligible families who adopt hard to place children shall be established at one hundred fifty dollars ($150.00) per month.

Requested by: Rep. Locks
-----AFDC/WOMEN IN THIRD TRIMESTER OF PREGNANCY

Sec. 73. The Division of Social Services, Department of Human Resources, shall provide Aid to Families with Dependent Children to women in their third trimester of pregnancy regardless of whether these women have children, if they otherwise qualify for these payments.

Requested by: Sen. Walker
-----AGED AND FAMILY CARE/COUNTY AND STATE SHARES OF COSTS

Sec. 74. The State shall pay fifty percent (50%) and the counties shall pay fifty percent (50%) of the authorized rates for domiciliary

care in homes for the aged and for family care homes, including area mental health agency operated group homes.

Requested by: Sen. Royall
-----LIMITATIONS ON STATE ABORTION FUND

Sec. 75. Section 93 of Chapter 479, 1985 Session Laws, other than subdivision (2) of that section, shall remain in effect on and after July 1, 1987, and any references to the 1985-86 fiscal year or the 1986-87 fiscal year shall apply to the then current fiscal year.

Requested by: Rep. Nye
-----COMMUNITY WORK EXPERIENCE PROGRAM

Sec. 76. (a) The purpose of the Community Work Experience Program is to provide work and training for families receiving assistance under the Aid to Families with Dependent Children (AFDC) Program.

(b) Uniform program components shall be developed in the Community Work Experience Program for all program participants. The program components shall include the following:

(1) Assessment of participant vocational and academic skills;
(2) Development of an employability and training plan;
(3) Job preparation;
(4) Job development and placement services;
(5) Job training;
(6) Work experience;
(7) Supportive services; and
(8) Post-termination services and follow-up.

(c) The county departments of social services shall ensure that each participant is being provided necessary transportation and child care prior to requiring the participant to participate in a program component. The participant shall be reimbursed for any necessary expenses that are incurred in order to participate in a program component.

(d) Participants placed on work experience sites shall be placed for a period not to exceed nine months. After six months, if a participant is still on the work site, a reevaluation of that participant's employability and placement plan shall occur. Health related problems that may keep a participant from participating in the program shall be taken into consideration prior to placing participants on work experience sites.

(e) Program participants shall be offered institutional skills training, on-the-job training, or other skills training that is consistent with their employability and training plan. This program shall be coordinated with skills training efforts through local Private Industry

Councils and Service Delivery Areas under the Job Training Partnership Act, P.L. 97-300, and other federal, State, or local training programs.

(f) AFDC recipients who are enrolled in a General Equivalency Diploma program shall be excused from participation in the Community Work Experience Program.

(g) Program participants shall be provided a handbook outlining their rights as program participants. This handbook shall include a participant's right to appeal, and the obligation of the program to inform and protect a recipient's rights.

(h) The amount of time that a participant can be required to work at a work experience site shall be calculated by dividing the participant's net AFDC grant by minimum wage. For purposes of this section, the net AFDC grant is equal to the amount of a participant's AFDC grant minus the child support assigned to the State. In no event will a participant be placed at a work experience site for more than 50 hours a month.

(i) The Department of Human Resources, Division of Social Services shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by April 1, 1988, on the implementation of the Community Work Experience Program. A second such report shall be submitted to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by October 1, 1989. The reports shall include an assessment of the program's success in enabling participants to obtain and retain employment and in obtaining training opportunities. The reports shall address the availability and cost of supportive services provided during the participants' participation in the program. The reports shall also include a report of the department's progress in implementing a grant diversion program in North Carolina.

(j) The Department of Human Resources shall submit a plan to the United States Department of Health and Human Services to operate an AFDC grant diversion program for participants in a program. The Department shall solicit community involvement from the private and nonprofit sectors in developing the grant diversion plan and job placements.

Requested by: Rep. Nye

-----DOMICILIARY HOME RATE INCREASE

Sec. 77. Effective October 1, 1987, the maximum monthly rate increase for ambulatory residents in domiciliary care facilities shall be six hundred fifty-four dollars ($654.00), and the maximum monthly rate for semi-ambulatory residents shall be six hundred eighty-seven

dollars ($687.00).

Requested by: Sen. Walker
----- EMERGENCY ASSISTANCE

Sec. 78. The Division of Social Services shall not expend more State funds for Emergency Assistance than are appropriated for this purpose in Section 2 of this act. Within this limit, effective September 1, 1987, Emergency Assistance benefits shall not exceed three hundred dollars ($300.00) per year per family, payable over a 30-day period. After this 30-day period, benefits are not available to that family until 12 months have elapsed from the initial authorization date. The family may have no more than a total of three hundred dollars ($300.00) in liquid assets in order to qualify for any Emergency Assistance pursuant to this section.

It is the intent of the General Assembly that these Emergency Assistance funds shall not be used to provide regular assistance to persons unless there is some accompanying unusual circumstance giving rise to the emergency. County departments of social services shall explore community resources other than the Emergency Assistance Program for family crises that are not emergencies arising out of some unusual circumstance.

The Division of Social Services shall report to the Chairmen of the House and Senate Appropriations Committees and to the Fiscal Research Division by March 15, 1988, on the categories of emergencies that gave rise to expenditures under this section and the amounts expended for each category for the 1987-88 fiscal year as of January 31, 1988.

Requested by: Sen. Walker
-----FAMILY SUPPORT ACT

Sec. 79. (a) Section 229 of Chapter 1014 of the 1985 Session Laws is amended by adding a new subsection to read:

"(d) If any provision of this section is held invalid by a court of competent jurisdiction, the invalidity shall not affect the remaining provisions of this section that can be given effect."

(b) The General Assembly finds that it is in the best interest of the State and of all its citizens to encourage recipients of Aid to Families with Dependent Children to obtain jobs and become self-sufficient. It further finds that, by continuing medical assistance and providing limited wage assistance to those recipients who are working, the State will make it possible to help many recipients to be able to keep their jobs, support their families, and become self sufficient.

(c) The Social Services Commission shall adopt rules to change the way it budgets Aid to Families with Dependent Children payments that will result in more recipients being able to find work and keep working. These rules shall include subtracting countable income from the State standard of need, and paying a percentage of the difference. The percentage that shall be applied to determine the amount of assistance shall be the same percentage set in the Current Operations Appropriations Act that determines the Aid to Families of Dependent Children payment level from the standard of need.

(d) The Department of Human Resources shall authorize a special needs allowance under rules adopted by the Social Services Commission to those recipients of Aid to Families of Dependent Children who are teen-age parents and who are enrolled in elementary or secondary school or in a G.E.D. program. This grant shall cover the cost of child care and of transportation costs to the child care provider, in accordance with federal rules and regulations.

(e) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, the sum of one million three hundred seventy-three thousand four hundred sixty dollars ($1,373,460) in fiscal year 1987-88 and the sum of two million nine hundred forty-seven thousand one hundred eighty-four dollars ($2,947,184) for fiscal year 1988-89 shall be used to implement this section.

(f) This section shall become effective January 1, 1988, and applies to assistance provided for on or after that date. The Department of Human Resources may adopt rules to implement this section prior to January 1, 1988, but they shall not become effective before that date.

Requested by: Sen. Walker, Rep. Locks
-----FOSTER CARE BOARD RATE

Sec. 80. Funds appropriated in Section 2 of this act for foster care board rates shall be established at two hundred dollars ($200.00) per child per month.

Requested by: Sen. Walker
-----RETROSPECTIVE ACCOUNTING ADJUSTMENT/AFDC

Sec. 81. The Department of Human Resources shall use funds appropriated in Section 2 of this act to provide a State supplementary payment to Aid to Families with Dependent Children households adversely affected by the retrospective accounting procedure as allowed under § 403(a) of the Social Security Act (42 U.S.C. § 603(a)), as amended by § 157(a) of the Tax Equity and Fiscal Responsibility Act of 1982. The amount of the State supplement shall not exceed the

maximum payment standard for the Aid to Families with Dependent Children Program.

Requested by: Sen. Walker, Reps. Locks, Nye
-----WILLIE M.

Sec. 82. (a) Legislative Findings. The General Assembly finds:

(1) That there is a need in North Carolina to provide appropriate treatment and education programs to children under the age of 18 who suffer from emotional, mental, or neurological handicaps accompanied by violent or assaultive behavior;

(2) That children meeting these criteria have been identified as a class in the case of Willie M., et al. vs. Hunt, et al.; and

(3) That these children have a need for a variety of services, in addition to those normally provided, that may include but are not limited to residential treatment services, educational services, and independent living arrangements.

(b) Funds for Department of Human Resources. It is the intent of the General Assembly that funds appropriated in Section 2 of this act to the Department of Human Resources for serving members of the Willie M. Class be expended only for programs serving members of the Willie M. Class identified in Willie M., et al. vs. Hunt, et al., including evaluations of potential class members. It is recognized that therapeutic or economic reasons may, at times, require certain of these services to serve a mixed clientele of Willie M. Class members and other clients. To the maximum extent possible, however, these funds shall be expended solely for the benefit of Willie M. Class members. The Department shall reallocate these funds among services to Willie M. Class members during the year as it deems advisable in order to use the funds efficiently in providing appropriate services to Willie M. Class children.

(c) Funds for Department of Public Education. Funds appropriated to the Department of Public Education in Section 2 of this act for members of the Willie M. Class, are to establish a supplemental reserve fund to serve only members of the class identified in Willie M., et al. vs. Hunt, et al. These funds shall be allocated by the State Board of Education to the local education agencies to serve those class members who were not included in the regular average daily membership and the census of children with special needs, and to provide the additional program costs which exceed the per pupil allocation from the State Public School Fund and other State and federal funds for children with special needs.

(d) The Department shall continue to implement its prospective unit cost reimbursement system and shall ensure that unit cost rates reflect reasonable costs by conducting cost center service type rate comparisons and cost center line item budget reviews as may be necessary.

(e) Reporting Requirements. The Department of Human Resources and the Department of Public Education shall submit, by May 1, 1988, a joint report to the Governor and the General Assembly on the progress achieved in serving members of the Willie M. Class. The report shall include the following unduplicated data for each county: (i) the number of children nominated for the Willie M. Class; (ii) the number of children actually identified as members of the Class in each county; (iii) the number of children served as members of the Class in each county; (iv) the number of children who remain unserved; (v) the types and locations of treatment and education services provided to Class members; (vi) the cost of services, by type, to members of the Class; (vii) information on the impact of treatment and education services on members of the Class.

(f) The Departments of Human Resources and Public Education shall provide periodic reports of expenditures on behalf of the Willie M. Class to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

(g) In fulfilling the responsibilities vested in it by the Constitution of North Carolina, the General Assembly finds:

(1) That the responsible State agencies have made a bona fide good faith effort to comply fully with the requirements of the Court Orders in the case of Willie M., et al. vs. Hunt, et al., and that services and placements for Willie M. Class members are very greatly improved.

(2) That the General Assembly has evaluated the known needs of the State and has endeavored to satisfy those needs in comparison to their social and economic priorities.

(3) That the funds appropriated will enable the development and implementation of placement and services for the class members in Willie M., et al. vs. Hunt, et al., within a reasonable period of time considered within the context of the needs of the class members, the other needs of the State and the resources available to the State.

(4) That additional expenditures of funds for these purposes at this time would result in an accelerated expenditure of and an unreasonable waste of State funds inasmuch as such expenditures could not reasonably be expected to actually secure a higher degree of treatment or education for the class members than can be accomplished with the funds

appropriated.

(h) The General Assembly supports the efforts of the responsible officials and agencies of the State to meet the requirements of the court order in Willie M., et al. vs. Hunt, et al. However, in view of the finding in subsection (g) above, the General Assembly expressly directs that no State funds shall be expended on the placement and services of class members in Willie M., et al. vs. Hunt, et al. or for any other thing or purpose arising out of this litigation, now or at any time in the biennium, except for those funds appropriated in Section 2 of this act to the Departments of Human Resources and Public Education for programs serving members of the Willie M. Class identified in Willie M., et al. vs. Hunt, et al., and except for such funds as may be elsewhere appropriated by the General Assembly specifically for such purposes. The above limitation shall not preclude the use of unexpended Willie M. funds from prior fiscal years to cover current or future needs of the Willie M. program subject to approval by the Director of the Budget. Such expenditures shall not be subject to the requirements of G.S.143-18.

(i) Notwithstanding any other provision of law, if the Department of Human Resources determines that a local program is not providing appropriate services to members of the class identified in Willie M., et al. vs. Hunt, et al., the Department may ensure the provision of these services through contracts with public or private agencies or by direct operation by the Department of such programs.

Requested by: Sen. Walker

-----MIXED BEVERAGE TAX FOR AREA MENTAL HEALTH PROGRAMS

Sec. 83. Funds received by the Department of Human Resources from the tax levied on mixed beverages under G.S. 18B-804(b)(8) shall be expended by the Department of Human Resources as prescribed by G.S. 18B-805(h). These funds shall be matched by local funds in accordance with the State/local ratio established by the current area mental health matching formula. These funds shall be allocated to the area mental health programs on a per capita basis as determined by the Office of State Budget and Management's most recent estimates of county populations.

Requested by: Sen. Walker

-----ADAP TRANSPORTATION REIMBURSEMENT

Sec. 84. (a) Reimbursement of Adult Developmental Activity Programs for transportation of clients shall be based on a cost per client basis. The minimum amount that a program may be

reimbursed for transportation cost shall be ten dollars ($10.00) per client per month. The maximum amount that a program may be reimbursed for transportation cost shall be twenty-five dollars ($25.00) per client per month.

(b) In reimbursing Adult Developmental Activity Programs, the Department shall base the reimbursement on the distribution by cost range developed by the Division of Mental Health, Mental Retardation, and Substance Abuse Services' Transportation Survey for 1985-86.

Requested by: Sen. Walker, Reps. Locks, Nye
-----DEINSTITUTIONALIZATION PROJECT REPORTS

Sec. 85. The Department of Human Resources shall report to the 1988 Session of the 1987 General Assembly on progress made with the deinstitutionalization projects in the South Central, North Central, Western, and Eastern Regions.

Requested by: Sen. Walker, Rep. Nye
-----YOUTH SUBSTANCE ABUSE SERVICES PLAN DEVELOPMENT

Sec. 86. Of the Alcohol and Drug Abuse Treatment and Rehabilitation Block Grant funds appropriated in Section 4 of this act to the Department of Human Resources, the sum of three million sixteen thousand seven hundred forty-eight dollars ($3,016,748) for the 1987-88 fiscal year shall be expended to begin development of service in accordance with the Youth Substance Abuse Plan as transmitted by the Secretary of Human Resources to the cochairmen of the Mental Health Study Commission on March 1, 1987, as amended by letter from the Secretary to the cochairmen dated April 28, 1987, and as consistent with the content and intent of the Committee Substitute for Senate Bill 1356. These documents shall serve as policy guidelines for the development of services.

Requested by: Rep. Nye
-----PIONEER PILOT

Sec. 87. (a) Part 4 of Article 4 of Chapter 122C of the General Statutes is amended by adding a new section to read:

"§ *122C-151.1. Pioneer Testing.*--(a) Notwithstanding G.S. 122C-147 through G.S. 122C-150, the Secretary may implement a pioneer testing program for State funding of area authorities. Such implementation shall generally be as recommended by the Mental Health Study Commission in its February 1987, report to the General Assembly. The Secretary may waive Department and Commission

rules relating to accounting, budget format, program standards, and other operating rules and may adopt any necessary substitute procedures necessary for implementation of the pioneer project. Provided, however, the Secretary may not waive rules that directly relate to the health, safety, or welfare of the clients served by the pioneer sites. Substitute procedures shall not be subject to the rule making procedures in Chapter 150B of the General Statutes during the time limits of the pioneer project.

(b) The Secretary shall report to the Mental Health Study Commission on a regular basis regarding the implementation of the pioneer testing program."

(b) Of the funds appropriated to the Department of Human Resources by Section 2 of this act, the sum of two hundred sixty-one thousand six hundred seventeen dollars ($261,617) for the 1987-88 fiscal year and the sum of three hundred twenty-seven thousand dollars ($327,000) for the 1988-89 fiscal year are allocated to cover Department costs in implementing this section, including personnel and information systems. The five pioneer sites shall be: the Blue Ridge Center for Mental Health, Mental Retardation, and Substance Abuse Program, the Halifax County Mental Health Center, the Roanoke-Chowan Human Services Center, the Guilford County Area Mental Health, Mental Retardation, and Substance Abuse Program, and the Sandhills Center for Mental Health, Mental Retardation, and Substance Abuse Services. If any one of these sites cannot complete the pioneer test, the Mental Health Study Commission shall make recommendations to the Secretary of Human Resources for a replacement site.

Requested by: Rep. Locks

-----MATERNAL AND CHILD HEALTH CARE

Sec. 88. The Division of Health Services shall ensure that local health departments do not reduce county appropriations for maternal and child health services provided by the local health departments because they have received State appropriations pursuant to this act.

Sec. 89. In order to ensure that funds appropriated by Section 2 of this act for maternal and child health care services to the Department of Human Resources, Division of Health Services, provide medical services to as many eligible women of childbearing age as possible, especially to adolescents, these funds may be used only for the purposes of providing prenatal clinics, child health services, purchase of medical services, and family planning services, including education and counseling and medical supplies.

Requested by: Rep. Nye
-----NON-MEDICAID REIMBURSEMENT

Sec. 90. Providers of medical services under the various State programs other than Medicaid offering medical care to citizens of the State shall be reimbursed at rates no more than those under the North Carolina Medical Assistance Program. The Department of Human Resources may reimburse hospitals at the full prospective per diem rates without regard to the Medical Assistance Program's annual limits on hospital days. When the Medical Assistance Program's per diem rates for inpatient services and its interim rates for outpatient services are used to reimburse providers in non-Medicaid medical service programs, retroactive adjustments to claims already paid shall not be required.

Maximum net family annual income eligibility standards for services in these programs with the exception of Migrant Health, School Health, and Home Health shall be as follows:

Family			Medical Eye Care	
Size	All Kidney	Adults	Rehabilitation	Other
1	6,400	3,600	5,053	4,200
2	8,000	4,400	6,608	5,300
3	9,600	4,600	8,161	6,400
4	11,000	5,400	9,718	7,500
5	12,000	5,800	11,276	7,900
6	12,800	6,100	12,828	8,300
7	13,600	6,500	13,116	8,800
8	14,400	6,900	13,411	9,300

These standards shall be in effect until change is approved by the Director of the Budget with the advice of the Advisory Budget Commission, or by the General Assembly.

Effective October 1, 1987, Children's Special Health Services shall increase their eligibility level to one hundred percent (100%) of the federal poverty level for outpatient services for all clients, and for inpatient services for children under the age of five.

Requested by: Sen. Walker, Rep. Locks
-----PRESCRIPTION DRUG FUNDS FOR DISABLED

Sec. 91. (a) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Health Services, the sum of four hundred thousand dollars ($400,000) shall be used to continue the prescription drug reimbursement program for the disabled to provide assistance in purchasing prescription drugs to people terminated from the Social Security Disability Program from March 1, 1981, through September 30, 1983, begun pursuant to

Section 64(1), Chapter 1034, 1983 Session Laws. The prescription drug program shall serve only current residents of North Carolina. The rules for operating this prescription drug assistance program shall be adopted by the Secretary of the Department of Human Resources pursuant to recommendations of the Disability Task Force as authorized by Section 82, Chapter 757, 1985 Session Laws.

(b) The Secretary of the Department of Human Resources shall report on a quarterly basis to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the expenditure of funds required by subsection (a) of this section.

(c) Of the funds appropriated in Section 2 of this act to the Office of the Secretary, Department of Human Resources, the sum of two hundred fifty-one thousand two hundred forty-seven dollars ($251,247) shall be used to continue the Public Information Office within the Department of Human Resources. The Office shall include a toll-free number and two staff positions. The Office shall provide information to citizens on their rights under the Social Security Disability Program and shall work with the Disability Task Force as established in Section 82 of Chapter 757 of the 1985 Session Laws in addressing the recommendations of the General Assembly's Disability Review Study Commission. The Office's legal work shall be supervised by an attorney from the Department of Human Resources.

(d) The Disability Task Force as established by Section 82 of Chapter 757 of the 1985 Session Laws shall be continued and the current members shall remain in place. The Task Force shall continue to implement the recommendations of the General Assembly's Disability Review Study Commission. The Task Force shall work with the Secretary of the Department of Human Resources in developing rules for the operation of the prescription drug program authorized in subsection (a) of this section, including rules for the verification of eligibility for program participants.

Requested by: Sen. Walker, Rep. Locks

-----MATERNAL AND CHILD HEALTH PROGRAMS

Sec. 92. (a) All income earned by local health departments from Maternal and Child Health Programs supported in whole or in part from State or federal funds, received from the Department of Human Resources, Division of Health Services, shall be budgeted and expended by local health departments to further the objectives of the program that generated the income.

(b) The Division of Health Services shall determine the amount of additional revenue earned from Maternal and Child Health Programs by local health departments as a result of the expansion of Medicaid eligibility for children and pregnant women and the specific

purposes these additional revenues were expended for, and shall report the results of these determinations to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services office no less than 30 days prior to the convening of the 1987 General Assembly, Regular Session 1988.

Requested by: Sen. Walker, Reps. Nye, Locks
-----CERTIFIED LABORATORY CERTIFICATION COMPLIANCE

Sec. 93. (a) Receipts collected by the Secretary of Human Resources pursuant to G.S. 130A-326(7), as enacted by Chapter 471 of the 1987 Session Laws, shall be deposited in the General Fund.

(b) Of the funds appropriated to the Division of Health Services, Department of Human Resources in Section 2 of this act, the sum of thirty-nine thousand nine hundred forty dollars ($39,940) for the 1987-88 fiscal year and the sum of fifty-three thousand two hundred fifty dollars ($53,250) for the 1988-89 fiscal year shall be used for the purpose of determining compliance of certified laboratories with certification requirements.

Requested by: Sen. Walker, Reps. Locks, Nye
-----CANCER REGISTRY

Sec. 94. (a) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Health Services, the sum of one hundred twenty-five thousand dollars ($125,000) for the 1987-88 fiscal year and the sum of one hundred twenty-five thousand dollars ($125,000) for the 1988-89 fiscal year shall be used for the State Cancer Registry.

(b) Of the funds appropriated by Section 2 of this act to the Department of Human Resources, Division of Health Services, for Cancer Services in the Adult Health Care Program, the sum of one hundred seventy-five thousand dollars ($175,000) for the 1987-88 fiscal year and the sum of one hundred seventy-five thousand dollars ($175,000) for the 1988-89 fiscal year may be used for the State Cancer Registry.

(c) The funds authorized for use for the State Cancer Registry by subsections (a) and (b) of this section shall be in addition to any funds appropriated specifically for the State Cancer Registry.

Requested by: Rep. Nye, Sen. Walker
-----HEALTH PROMOTION FUNDS

Sec. 95. (a) Of the Preventive Health Block Grant funds appropriated by Section 4 of this act to the Division of Health Services, Department of Human Resources, for Health Promotion

Programs, the sum of three hundred thirty-three thousand three hundred four dollars ($333,304) shall be allocated to the 29 risk reduction projects funded in 1986-87, at the same allocation rate as was used in 1986-87.

(b) Of the Preventive Health Block Grant funds appropriated in Section 4 of this act to the Division Of Health Services, Department of Human Resources, for Health Promotion Programs, the sum of four hundred fifty-nine thousand four hundred sixty-one dollars ($459,461) for the 1987-88 fiscal year shall be allocated as follows:

(1) six thousand dollars ($6,000) each to the 29 existing risk reduction projects; and

(2) two hundred eighty-five thousand four hundred sixty-one dollars ($285,461) to be divided equally between the 55 remaining local health departments for risk reduction projects.

(c) Of the seven hundred fifty thousand dollars ($750,000) appropriated from the General Fund to the Department of Human Resources, Division of Health Services in Section 2 of this act, for the 1987-88 fiscal year and of the seven hundred fifty thousand dollars ($750,000) for the 1988-89 fiscal year for risk reduction projects, the sum of seventy-five thousand dollars ($75,000) shall be used by the Division of Health Services for program development and evaluation.

(d) The Division of Health Services shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office by March 15, 1988, on the use of the funds allocated by this section.

Requested by: Rep. Beall

-----WESTERN DEVELOPMENTAL CENTER FUNDS

Sec. 96. Of the funds appropriated to the Department of Human Resources, Division of Health Services, in Section 2 of this act, the sum of one hundred thirty-five thousand dollars ($135,000) for the 1987-88 fiscal year and the sum of one hundred thirty-five thousand dollars ($135,000) for the 1988-89 fiscal year shall be used at Western Carolina University for the Developmental Evaluation Center, for operating expenses to enable the Center to meet the needs of preschool handicapped children and their families in Cherokee, Clay, Graham, Jackson, Haywood, Macon, and Swain Counties.

Requested by: Rep. Colton, Sen. Walker
-----PUBLIC HEALTH TRAINING FUNDS

Sec. 97. Of the funds appropriated to the Department of Human Resources, Division of Health Services in Section 2 of this act, the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year and the sum of fifty thousand dollars ($50,000) for the 1988-89 fiscal year shall be used to enter into a program to train public health nurse supervisors and directors, public health staff, and community health aides throughout North Carolina to upgrade knowledge and skill in nursing practice.

Requested by: Rep. Bob Etheridge
-----COMMUNICABLE DISEASE CONTROL STAFF

Sec. 98. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Health Services, for Acute Communicable Disease Control, the sum of one hundred forty thousand dollars ($140,000) for the 1987-88 fiscal year and the sum of one hundred forty thousand dollars ($140,000) for the 1988-89 fiscal year may be used to hire staff to be engaged in the control of A.I.D.S. and other communicable and toxicologic hazards.

Requested by: Rep. Nye
-----HAZARDOUS WASTE FACILITY INSPECTION

Sec. 99. Of the funds appropriated to the Department of Human Resources, Division of Health Services, Solid and Hazardous Waste Management Branch in Section 2 of this act, the sum of one hundred thousand dollars ($100,000) shall be used for the purpose of employing additional staff to undertake hazardous waste facility inspection, permitting, and all other essential regulatory activities, provided that Senate Bill 535 is enacted into law by the 1987 General Assembly. These funds will be deposited in the General Fund from receipts generated pursuant to Senate Bill 535, if ratified.

Requested by: Rep. Locks
-----PREVENTION PROGRAMS FUNDS

Sec. 100. (a) Social Services Block Grant funds appropriated in Section 4 of this act shall be allocated as follows:

Swain County	Cherokee Boys Club, Inc.	$30,000
Caldwell County	Health Department	30,000
Robeson County	Health Department	30,000
Harnett County	Health Department	40,000
Buncombe County	Health Department	40,000
Carteret County	Community Action, Inc.	40,000

Davidson County	Health Department	40,000
Greene County	Health Care Inc.	40,000
Bertie County	Health Department	40,000
Scotland County	Health Department	40,000
Macon County	Programs for Progress	55,000
Mecklenburg County	N.C. Coalition on Adolescent Pregnancy	20,000

(b) No funds allocated under this section shall be used for purchase and prescriptions of contraceptives, nor shall contraceptives be distributed on school property under this section. None of the funds allocated under this section may be used for transportation to and from abortion services. None of the funds allocated under this section may be used for abortions. This subsection applies only to the funds allocated under this section.

Requested by: Rep. Locks

-----RESPITE CARE PROGRAM

Sec. 101. (a) A respite care program is established to provide needed relief to caregivers of impaired adults who cannot be left alone because of mental or physical problems and whose income preclude coverage under North Carolina's Medicaid eligibility standards.

(b) Those eligible for respite care under the program established by this section are limited to those unpaid primary caregivers who are caring for people 60 years of age or older and/or their spouses who require constant supervision and cannot be left alone, either because of memory impairment, physical immobility, or other problems that render them unsafe alone.

(c) Respite Care Services provided under this program may include:

(1) Attendance and companion services for the patient in order to provide release time to the caregiver.

(2) Personal care services, and meal preparation for the patient of the caregiver.

(3) Temporarily placing the person out of his home to provide the caregiver total respite when the mental or physical stress on the caregiver necessitates this type of respite.

The services described in subdivisions (1) and (2) of this subsection are limited to a maximum of 2 days (48 hours) of service per month per primary caregiver. The services described in subdivision (3) of this subsection are limited to 24 days (576 hours) of service per year per primary caregiver. Total combined respite services (in home and out of home) for a primary caregiver shall not exceed 24 days per year. Program funds may provide no more than the current

domiciliary home reimbursement rate for out of home placement. For purposes of this subsection, an out of home placement is defined as placement in a hospital, skilled or intermediate nursing facility, domiciliary home, adult day health center or adult day care center. Duration of the service period shall be unlimited for as long as the caregiver continues to qualify as a caregiver.

(d) In addition, the following services will be provided to recipients of respite care services as needed: (i) assessment and care planning for the person; (ii) counseling and training in the caregiving role, including coping mechanism and behavior modification techniques; and (iii) counseling in accessing available local, regional, and State services.

(e) The respite care program established by this section shall be administered by the Division of Aging in consultation with the Council of Government in each region. The program will be coordinated with other appropriate Divisions in the Department of Human Resources, the North Carolina Chapter of Alzheimers Disease and Related Disorders Association, the North Carolina Home Care Association, and other appropriate organizations.

The Division of Aging shall delegate contract authority for service provision to participating Councils of Government and Area Agencies on Aging offices. Area Agencies on Aging shall contract with an agency to be chosen by the same process as used for federal contracting. The Area Agencies on Aging in each region shall choose respite care providers on the basis of a competitive bidding process and shall include the following criteria: documented capacity to provide care, adequacy of quality assurance, training, supervision, abuse prevention, complaint mechanisms, and lowest cost.

(f) Eligibility for initial and continued receipt of funding shall be determined by review of grant applications by the Division of Aging and the Councils of Governments' Area Agencies on Aging.

(g) Caregivers receiving respite care services through the program established by this section shall pay for the services on a sliding fee scale depending on their ability to pay. The Division of Aging in consultation with the Councils of Governments in each region shall specify rates of payment for the services.

(h) Up to three hundred thousand dollars ($300,000) of the funds appropriated from the Social Services Block Grant in Section 4 of this act for the 1987-88 fiscal year may be used to implement this section.

(i) Funds shall be dispersed by the Division of Aging to the Council of Governments Area Agencies on Aging according to the formula stated in subsection (j) of this section. The Division of Aging shall be responsible for providing technical assistance and monitoring

budgetary considerations, including the reallocation of funds. The Councils of Governments shall prepare programmatic and fiscal reports for the Division of Aging. The Division of Aging shall present an annual report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office no later than the first of May each year. The report shall include an analysis of the service needed in each region, along with a category of the various services provided and costs.

(j) Funds dispersed to the Councils of Governments to fund respite care under this section shall be based on the number of elderly citizens 75 years of age or more in each of the regions. This funding allocation may be changed by the Secretary of the Department of Human Resources upon the recommendation of the Assistant Secretary of the Division of Aging and the Councils of Governments after these entities have considered utilization of services, caregiver capacities, and dependency, disease, mental status, age, and marital status data on clients served by the programs. These data shall be provided annually to the Councils of Governments by all respite care service providers. Revenues received from caregivers' payments for services pursuant to subsection (g) of this section shall be used by the provider agencies to provide respite services to new caregivers and to expand services to existing caregivers.

(k) Sufficient funds from those allocated in subsection (h) of this section may be used to cover administrative costs in the Division of Aging to carry out the requirements of this section.

Requested by: Sen. Walker, Rep. Locks

-----INFLATIONARY INCREASES IN STATE AID TO LOCAL AGENCIES

Sec. 102. As required by G.S. 143-10.1, funds are included in Section 2 of this act for inflationary increases in certain local programs including a five percent (5%) salary increase in the 1987-88 fiscal year, which increase will be carried forward into the 1988-89 fiscal year, computed on the State share paid by the State of North Carolina, where the State is presently providing aid. These funds shall be certified to the respective State agencies as detailed in the State Budget, and they shall be distributed to the local agencies/programs using the same allocation methods by which the present aid is distributed.

Requested by: Sen. Walker, Rep. Locks.
-----TRANSFERS OF CERTAIN FUNDS AUTHORIZED

Sec. 103. In order to assure maximum utilization of funds in county departments of social services, county or district health agencies, and area mental health, mental retardation and substance abuse authorities, the Director of the Budget is authorized to transfer excess funds appropriated to a specific service or program/fund (whether specified in a block grant plan or General Fund appropriation) into another service or program/fund for local services within the budget of the respective State agency.

The Office of State Budget shall report to the Chairmen of the House and Senate Appropriations Base Budget Committees and the Appropriations Expansion Budget Committees and to the Chairmen of the Department of Human Resources Appropriations Subcommittees on each transfer authorized by this section.

Requested by: Rep. Nye
-----DAY CARE ALLOCATION FORMULA

Sec. 104. (a) To simplify current day care allocation methodology and more equitably distribute State day care funds, the Department of Human Resources shall apply the following allocation formula to all noncategorical federal and State day care funds used to pay the costs of necessary day care for minor children of needy families:

(1) Fifty percent (50%) of budgeted funds shall be distributed according to the county's population; and

(2) Fifty percent (50%) of budgeted funds shall be distributed based upon the county's poverty rate as a percentage of the sum total of all North Carolina's county poverty rates.

(b) Counties whose allocation, if based on previously used formulas, exceeds the allocation produced by the formula prescribed by this section may not have their allocations reduced in either fiscal year 1987-88 or fiscal year 1988-89 to the level that results from application of the new formula. Counties whose allocation, if based on previously used formulas, is less than the allocation produced by the formula prescribed by this section shall continue to receive the proportional share of those funds that they received pursuant to appropriations for this purpose by the 1985 General Assembly.

Requested by: Rep. Locks
-----DAY CARE FUNDS/MATCH REQUIREMENT

Sec. 105. No local matching funds may be required by the Department of Human Resources as a condition of any locality's receiving any State day care funds appropriated by this act unless

federal law requires such a match.

Requested by: Sen. Walker
-----DAY CARE

Sec. 106. The Department of Human Resources shall distribute the funds appropriated and otherwise available to the Department for the purchase of slots in day care for minor children of needy families so as to serve the greatest number of children possible.

Requested by: Rep. Nye
-----DAY CARE RATES

Sec. 107. (a) Rules for the monthly schedule of payments for the purchase of day care services for low income children shall be established by the Social Services Commission pursuant to G.S. 143B-153(8)a., in accordance with the following requirements:

(1) For facilities in which fewer than fifty percent (50%) of the enrollees are subsidized by State or federal funds, the State shall continue to pay the same fee paid by private paying parents for a child in the same age group in the same facility.

(2) Facilities in which fifty percent (50%) or more of the enrollees are subsidized by State or federal funds may choose annually one of the following payment options:

a. The facility's payment rate for fiscal year 1985-86; or

b. The county market rate, as calculated annually by the Department of Human Resources' Office of Child Day Care Services. A market rate shall be calculated for each county and for each age group of enrollees, and shall be the county average of all fees charged to unsubsidized private paying parents for each age group of enrollees. Effective July 1, 1987, and thereafter, the county market rates shall be calculated from facility fee schedules collected by the Office of Child Day Care Services during its annual inspection visits.

(b) Facilities licensed pursuant to Article 7 of Chapter 110 of the General Statutes may participate in the program that provides for the purchase of slots in day care facilities, for minor children of needy families. No separate licensing requirements may be used to select facilities to participate.

Day care plans from which the State purchases day care services shall meet the standards established by the Child Day Care Commission pursuant to G.S. 110-101 and G.S. 110-105.1. Until it can demonstrate that it meets the standards adopted by the Child Day Care Commission, a day care plan from which the State purchases day

care services for minor children of needy families shall meet all certification standards adopted by the Department of Human Resources' Office of Child Day Care Services. The fee for the purchase of care from a day care plan is one hundred fifty dollars ($150.00) per month. The fee for the purchase of care from individual Child Caring Providers is one hundred dollars ($100.00) per month.

(c) Providers whose programs exceed licensing standards may modify their programs to standards consistent with licensing standards.

(d) Any savings that result by reason of this schedule shall be used by the Department to provide for payment of the costs of necessary day care for more minor children of needy families.

(e) County departments of social services shall continue to negotiate with day care providers for day care services below those rates prescribed by subsection (a) of this section. County departments are directed to purchase day care services so as to serve the greatest number of children possible with existing resources.

Requested by: Rep. Nye
-----DHR EMPLOYEES AS IN-KIND MATCH II

Sec. 108. Notwithstanding the limitations of Chapter 634 of the 1987 Session Laws, the Secretary of the Department of Human Resources may assign employees of the Office of Health Resources, Division of Facility Services, Department of Human Resources, to serve as in-kind match to nonprofit corporations working to establish health care cost containment strategies.

Requested by: Rep. Locks
-----NO EYE CLINICS IN CERTAIN COUNTIES

Sec. 109. No funds may be expended for the Department of Human Resources, Division of Services for the Blind, to hold eye clinics in any county in which an optometrist or ophthalmologist is willing to perform the services that would otherwise be performed by the clinic.

PART XIII.-----DEPARTMENT OF CORRECTION

Requested by: Rep. Watkins
-----RESERVE FOR PRISON PERSONNEL

Sec. 110. (a) Funds appropriated in Section 2 of this act to the Department of Correction, Reserve for New Units, and to the Department of Correction, Reserve for New Minimum Custody

Dormitories, shall be used for the personnel and operating expenses set forth in the expansion budget approved by the General Assembly in this act. These funds may not be expended for any other purpose, except as provided in the next section of this act.

(b) Funds appropriated in Section 2 of this act to the Department of Correction, Reserve for New Units, and to the Department of Correction, Reserve for New Minimum Custody Dormitories, may not be expended for additional prison personnel positions until the new facilities are within 90 days of completion, and said funds may be used only for the purpose of meeting increased staffing needs created by the new facilities, except as provided in the next section of this act.

Requested by: Sen. Plyler
-----SUBSTANCE ABUSE PROGRAM

Sec. 111. (a) G.S. 143B-262 is amended by adding a new subsection (d) to read:

"(d) The Department shall establish a Substance Abuse Program. This Program shall include an intensive term of inpatient treatment, normally four to six weeks, for alcohol or drug addiction in independent, residential facilities for approximately 100 offenders per facility."

(b) G.S. 143B-264 is amended by adding a new sentence at the end to read:

"The Department shall establish a Substance Abuse Program. All substance abuse programs established or in existence shall be administered by the Department of Correction under the Substance Abuse Program."

(c) The Substance Abuse Program established by subsection (a) of this section shall be offered in a medium custody facility, or a portion of a medium custody facility that is self-contained, so that the residential and program space is separate from any other programs or inmate housing, and shall be operational by January 1, 1988, at such unit as the Secretary may designate.

An Assistant Secretary for Substance Abuse shall be employed and shall report directly to the Office of the Secretary of Correction. An Administrative Officer II and a Secretary IV shall be employed to assist the Assistant Secretary and work under his direction and management. The duties of the Assistant Secretary shall include the following:

(1) Administer and coordinate all substance abuse programs, grants, contracts, and related functions in the Department of Correction;

(2) Develop and maintain working relationships and agreements with agencies and organizations that will assist in developing and operating a Substance Abuse Program in the Department of Correction;

(3) Develop and coordinate the use of volunteers in the Substance Abuse Program;

(4) Develop and present training programs related to substance abuse for employees and others at all levels in the agency;

(5) Develop programs that provide effective treatment for inmates, probationers, and parolees with substance abuse problems;

(6) Maintain contact with key leaders in the substance abuse field and active supporters of the Correction Program;

(7) Supervise directly the directors of treatment units, specialized personnel, and programs that exist or may be developed in the Department of Correction; and

(8) Develop employee assistance programs for employees with substance abuse problems.

Ten additional program staff shall be employed. There shall be a Correctional Program Director II who is responsible to the Assistant Secretary for Substance Abuse. This employee shall be responsible for managing and implementing the inpatient treatment program. Also employed will be a Correctional Program Director I, two Correctional Program Supervisors, four Correctional Program Assistant II's, one Correctional Program Assistant I, and one Clerk-Stenographer IV.

The duties of the Program Director shall include the following:

(1) Implement and manage the inpatient treatment program for inmates with substance abuse problems;

(2) Supervise personnel assigned to the inpatient treatment program;

(3) Assist in developing the treatment program for inmates with substance abuse problems;

(4) Recruit and develop staff for the inpatient program and other staff as required;

(5) Assist in developing linkage and follow-up of inmates between the inpatient program, related agencies, organizations, and other facilities of the Department of Correction;

(6) Be responsible for treatment plans and daily activities and schedules for all assigned inmates;

(7) Develop methods for involving families of inmates in the program to the extent deemed appropriate and useful; and

(8) Other duties as required.

Preference shall be accorded to qualified recovering alcoholics and substance abusers in the employment of treatment counselors.

In the unit there shall be a unit superintendent under the Division of Prisons and other custodial, administrative, and support staff as required for a medium custody facility for approximately one hundred inmates. The unit superintendent shall be responsible for all matters pertaining to custody and administration of the unit. The Correctional Program Director II will administer the inpatient treatment program under the direction of the Assistant Secretary for Substance Abuse.

Extensive use may be made of inmates working in the role of ancillary staff, peer counselors, role models, or group leaders as the program manager determines. Additional resource people who may be required for specialized treatment activities, presentations, or group work may be employed on a fee or contractual basis.

The Program in each unit shall be structured such that approximately 25 offenders will enter the Program on a weekly basis.

Admission priorities shall be established as follows:

(1) Court recommendation.
(2) Evaluation and referral from reception and diagnostic centers.
(3) General staff referral.
(4) Self-referral.

The Program shall include extensive follow-up after the period of intensive treatment. There will be specific plans for each departing inmate for follow-up, including active involvement with Alcoholics Anonymous, community resources, and personal sponsorship.

(d) Article 6 of Chapter 143B of the General Statutes is amended by adding a new Part 5 to read:

"Part 5. Substance Abuse Advisory Council.

"§ *143B-270. Substance Abuse Advisory Council.*--(a) There is created a Substance Abuse Advisory Council to consult with the Secretary of the Department of Correction in the administration of the Substance Abuse Program.

(b) The Council shall be composed of nine members. Three members shall be appointed by the Speaker of the House of Representatives, three members by the Lieutenant Governor, and three members by the Governor. Vacancies shall be filled by the office making the initial appointment and for the remainder of the unexpired term only. The Council shall elect its chairman annually.

(c) Members appointed shall hold office for a term of four years beginning on October 1, 1987, except that three of the initial appointees shall serve a term of two years. The Speaker, Lieutenant Governor, and Governor shall each select one of their initial appointees to serve a two-year term.

(d) The Council shall meet at least once each quarter and at the call of the Secretary.

(e) Council members who are members of the General Assembly shall receive travel and subsistence allowances as provided in G.S. 120-3.1. Council members who are not members of the General Assembly shall receive travel and subsistence as provided in G.S. 138-5.

"§ *143B-271. Powers and duties of the Council.*--The Substance Abuse Advisory Council shall advise the Secretary of the Department of Correction on the administration of the Substance Abuse Program. The Council shall also give advice as to any rules and regulations to be adopted and on any other matters pertaining to the Substance Abuse Program."

(e) G.S. 15A-1351 is amended by adding a new subsection at the end to read:

"(h) The sentencing court may recommend that the sentenced offender be assigned to the Substance Abuse Treatment Unit for treatment of alcoholism or substance abuse during his imprisonment."

(f) Of the funds appropriated in Section 2 of this act to the Reserve for New Units and the Reserve for New Minimum Custody Dormitories, the Department of Correction shall use three hundred fifty thousand dollars ($350,000) for the 1987-88 fiscal year and three hundred fifty thousand dollars ($350,000) for the 1988-89 fiscal year to implement this section.

(g) This section is effective upon ratification, except that the inpatient program shall begin January 1, 1988. All positions authorized by this section shall be effective October 1, 1987.

Requested by: Sen. Marvin

-----INMATE TRANSPORTATION SYSTEM

Sec. 112. Of the funds appropriated in Section 2 of this act to the Department of Correction, the sum of five hundred seventy-two thousand three hundred thirty-three dollars ($572,333) for the 1987-88 fiscal year and the sum of four hundred eleven thousand two hundred thirty-three dollars ($411,233) for the 1988-89 fiscal year shall be used for the transportation of inmates being transferred from jails to State operated facilities.

Requested by: Rep. Holt, Sen. Marvin

-----CREATION OF NEW POSITIONS LIMITED

Sec. 113. The Department of Correction may not use salary reserve funds to create any positions not authorized by the General Assembly in this act.

Requested by: Sen. Marvin, Rep. Anderson
-----USES OF PRISON ENTERPRISES FUNDS

Sec. 114. Notwithstanding the provisions of G.S. 148-2(b), the sum of four hundred seventy thousand dollars ($470,000) for the 1987-88 fiscal year in the Prison Enterprises Fund shall be used for expansion of the prison enterprise printing and duplicating plant and for prison enterprise laundry improvements.

Requested by: Sen. Marvin, Rep. Holt
-----PRIVATE CONFINEMENT FACILITIES

Sec. 115. No privately owned or operated confinement facilities may be added to the State prison system; provided, however, ECO, Inc., may operate a private, nonprofit work release center for women and Gethsemane-Rainbow Partnership, Inc., may operate pre-release programs in Raleigh and Rocky Mount.

Requested by: Sen. Marvin, Rep. Anderson
-----NEGOTIATED RATES FOR MEDICAL SERVICES

Sec. 116. The Department of Correction shall negotiate for rates as close to Medicaid rates as possible for all medical services rendered by providers to that Department who are not State employees. The Department shall report the results of its negotiations to the Chairmen of the House and Senate Appropriations Committees on the Base Budget and Expansion Budget and to the Chairmen of the Joint Appropriations Committees on Justice and Public Safety prior to March 15, 1988. The Department shall also report its progress in these negotiations to the Joint Legislative Commission on Governmental Operations at the next meeting following the quarter ending December 31, 1987.

Requested by: Sen. Marvin, Rep. Anderson
-----REIMBURSEMENT FOR LOCAL CONFINEMENT COSTS FOR FEMALE INMATES/STUDY

Sec. 117. The Joint Legislative Commission on Governmental Operations may study the feasibility of requiring that the Department of Correction pay each local confinement facility a standard sum to be set by the General Assembly for the cost of providing food, clothing, personal items, supervision, and necessary ordinary medical services to those female inmates committed to the custody of the local confinement facility and to reimburse each local confinement facility for any other appropriate expense incurred for services to a female inmate incarcerated in a local confinement facility, provided that if the Special Legislative Committee on Prisons is extended, the Joint Legislative Commission on Governmental

Operations may refer the study authorized by this section to that committee, in which case the committee shall report the results of its study to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.

PART XIV.-----DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

Requested by: Sen. Marvin
-----TRANSFER OF RAPE VICTIMS ASSISTANCE PROGRAM FUNDS TO IMPLEMENT CRIME VICTIMS COMPENSATION ACT

Sec. 118. Of the funds appropriated in Section 2 of this act to the Department of Crime Control and Public Safety for the Assistance Program for Victims of Rape and Sex Offenses the sum of one hundred thousand dollars ($100,000) shall be transferred to the Crime Victims Compensation Fund to implement the provisions of the Crime Victims Compensation Act. The sum of forty-eight thousand four hundred twenty-two dollars ($48,422) shall be retained in the Assistance Program for Victims of Rape and Sex Offenses Fund to pay those claims that are eligible for compensation under the Program for Victims of Rape and Sex Offenses and are not eligible for compensation under the Crime Victims Compensation Act.

Requested by: Sen. Marvin, Rep. Holt
-----REPORT ON COMMUNITY SERVICE WORKERS

Sec. 119. The Department of Crime Control and Public Safety shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the number of community service workers who were available during each month of the prior three month period to perform repairs and maintenance of the parks and when and where they were available.

Requested by: Sen. Marvin
-----LEGISLATIVE REVIEW OF DRUG LAW ENFORCEMENT AND OTHER GRANTS

Sec. 120. (a) Section 1303(4) of the Omnibus Crime Control and Safe Streets Act of 1968 provides that State Applications for drug law enforcement grants are subject to review by the State legislature or its designated body.

(b) The North Carolina General Assembly hereby provides that State applications for grants under the State and Local Law Enforcement Assistance Act of 1986, Part M of the Omnibus Crime Control and Safe Streets Act of 1968, as enacted by Subtitle K of P.L. 99-570, the Anti-Drug Abuse Act of 1986, are subject to review by the Joint Legislative Commission on Governmental Operations if at the

time of review the General Assembly is not in session.

(c) Unless a State statute provides a different forum for review, whenever a federal law or regulation provides that a State application for a grant must be reviewed by the State legislature or its designated body, and at the time of the review, the General Assembly is not in session, that application shall be reviewed by the Joint Legislative Commission on Governmental Operations.

(d) Article 13A of Chapter 120 of the General Statutes is repealed.

(e) This section is effective upon ratification.

Requested by: Sen. Marvin
-----ADDITIONAL HIGHWAY PATROL TROOPERS

Sec. 121. (a) Funds are appropriated in Section 3 of this act to the Department of Crime Control and Public Safety for an additional 40 troopers for the Highway Patrol, 20 to be added in the 1987-88 fiscal year and 20 to be added in the 1988-89 fiscal year. These 40 troopers may not be assigned to any duty other than full-time enforcement of the traffic laws by patrolling the roads except when absence therefrom is required for court appearances, training mandated by statutes or compliance with the rules of the North Carolina Criminal Justice Education and Training Standards Commission, or administrative work directly arising out of road patrol or court appearance. Also, no additional administrative positions may be created that decrease the number of members of the Highway Patrol assigned to road patrol as essentially full-time duty.

(b) This section is not intended to prevent the Department of Crime Control and Public Safety from assigning troopers to normal special duties to which troopers are ordinarily assigned.

Requested by: Sen. Marvin, Rep. Anderson
-----ASSIGNMENT OF HIGHWAY PATROL CARS.

Sec. 122. G.S. 20-190.3 reads as rewritten:

"§ *20-190.3. Assignment of new highway patrol cars.*--All new highway patrol cars, whether marked or unmarked, placed in service after July 1, 1985, shall be assigned to and used by troopers whose primary duties are in the ~~field.~~ field and by line sergeants and first sergeants."

PART XV.----JUDICIAL DEPARTMENT

Requested by: Sen. Rand
-----ADD TWO SPECIAL SUPERIOR COURT JUDGES

Sec. 123. (a) Chapter 7A of the General Statutes is amended by adding a new section to read:

"§ *7A-45.1. Special judges.*--(a) The Governor may appoint two special superior court judges. A special judge takes the same oath of office and is subject to the same requirements and disabilities as are or may be prescribed by law for regular judges of the superior court, save the requirement of residence in a particular district. Appointments made under this section shall be to terms of office beginning August 1, 1987, and expiring December 31, 1990.

(b) A special judge is subject to removal from office for the same causes and in the same manner as a regular judge of the superior court, and a vacancy occurring in the office of special judge is filled by the Governor by appointment for the unexpired term.

(c) A special judge, in any court in which he is duly appointed to hold, has the same power and authority in all matters that a regular judge holding the same court would have. A special judge, duly assigned to hold the court of a particular county, has during the session of court in that county, in open court and in chambers, the same power and authority of a regular judge in all matters arising in that judicial district that could properly be heard or determined by a regular judge holding the same session of court.

(d) A special judge is authorized to settle cases on appeal and to make all proper orders in regard thereto after the time for which he was commissioned has expired."

(b) In the election of 1990, two additional regular superior court judges shall be elected for terms beginning January 1, 1991, for districts to be designated by the General Assembly.

Requested by: Rep. Michaux

-----SUPERIOR COURT JUDGE CONDITIONAL FUNDING

Sec. 124. Section 12 of Chapter 509, Session Laws of 1987, is repealed.

Requested by: Rep. Michaux

-----NEW SENIOR RESIDENT JUDGE SECRETARIES AUTHORIZED

Sec. 125. Section 8 of Chapter 509, Session Laws of 1987, is repealed.

Requested by: Sen. Plyler

-----ADD DISTRICT COURT JUDGES

Sec. 126. (a) Effective December 1, 1988, G.S. 7A-133 is amended in the column headed "Judges" by adding one additional district court judge in each of the following district court districts: 3,

5, 7, 10, 11, 16, 18, 19B, 21, 25, and 26.

(b) The judges added by subsection (a) of this section shall be elected at the 1988 general election.

(c) Of the funds appropriated to the Judicial Department for fiscal year 1988-89 in Section 2 of this act, the sum of forty-six thousand two hundred forty-one dollars ($46,241) shall be used to support the establishment of a district court judge position in district court district 16 as provided by subsection (a) of this section.

Requested by: Sen. Plyler
-----ADD ASSISTANT DISTRICT ATTORNEYS

Sec. 127. (a) Effective October 1, 1987, G.S. 7A-60(a1) as enacted by Chapter 509, Session Laws of 1987 is amended in the column entitled "No. of Full-Time Asst. District Attorneys" by adding one for each of the following districts: 11, 25, 27A, 27B, 29.

Requested by: Sen. Marvin
-----ADDITIONAL ASSISTANT PUBLIC DEFENDER POSITIONS

Sec. 128. Effective October 1, 1987, of the funds appropriated to the Indigent Persons Attorney Fee Fund in the Judicial Department, the Judicial Department shall use the sum of one hundred six thousand three hundred fifty-three dollars ($106,353) for the 1987-88 fiscal year and the sum of one hundred forty-one thousand four hundred thirty-five dollars ($141,435) for the 1988-89 fiscal year for salaries, benefits, and related expenses of three new assistant public defender positions.

Resquested by: Sen. Marvin
------ADDITIONAL ASSISTANT APPELLATE DEFENDER POSITIONS

Sec. 129. Effective October 1, 1987, of the funds appropriated to the Indigent Persons Attorney Fee Fund in the Judicial Department, the Judicial Department shall use the sum of seventy thousand nine hundred seventy dollars ($70,970) for the 1987-88 fiscal year and the sum of ninety thousand nine hundred dollars ($90,900) for the 1988-89 fiscal year for salaries, benefits, and related expenses of two new assistant appellate defender positions.

Requested by: Sen. Rand
-----ADD MAGISTRATES

Sec. 130. (a) Effective October 1, 1987, G.S. 7A-133 is amended in the column headed "Magistrates-Min.-Max." by adding one additional magistrate to the maximum for the following counties: Buncombe and Wake.

Requested by: Sen. Marvin, Rep. Holt
-----RETIRED APPELLATE JUDGE SERVICE EXTENDED

Sec. 131. (a) Section 15(b) of Chapter 698 of the 1985 Session Laws, as amended by Section 3 of Chapter 851, Session Laws of 1985, Section 225 of Chapter 1014 of the 1985 Session Laws, and Section 5 of Chapter 703, Session Laws of 1987 is repealed.

(b) G.S. 7A-39.14 is amended by adding a new subsection to read "(f) This section shall expire on July 31, 1989."

Requested by: Sen. Marvin, Rep. Holt
-----EMERGENCY JUDGES CREDITABLE SERVICE REQUIREMENT REDUCED

Sec. 132. G.S. 7A-52(a) is amended by deleting "12 years" from the first sentence and substituting "eight years".

Requested by: Sen. Marvin, Rep. Anderson
-----STUDY OF FEDERAL REIMBURSEMENT FOR CHILD SUPPORT ENFORCEMENT SERVICES

Sec. 133. The Administrative Office of the Courts shall study the potential for receiving federal reimbursement for the costs of administration of child support enforcement services in the Administrative Office of the Courts. This study shall be performed within funds available to the Administrative Office of the Courts for the 1987-88 fiscal year.

The Administrative Office of the Courts shall report the results of this study to the Joint Appropriations Committees on Justice and Public Safety by May 1, 1988.

PART XVI.-----DEPARTMENT OF JUSTICE

Requested by: Rep. Bob Etheridge
-----SBI COMMEMORATIVE BADGE

Sec. 134. (a) Of the funds appropriated to the Department of Justice, State Bureau of Investigation, in Section 2 of this act for fiscal year 1987-88, the sum of ten thousand dollars ($10,000) shall be used to design and procure a special badge for members of the State Bureau of Investigation to commemorate the fiftieth anniversary of the Bureau.

(b) Out of the funds appropriated to the Department of Justice, State Bureau of Investigation in Section 2 of this act for fiscal year 1987-88, the department may prepare and publish a history of the State Bureau of Investigation to commemorate the fiftieth anniversary of the Bureau.

Requested by: Sen. Plyler
-----SBI RADIO/EQUIPMENT NEEDS STUDY

Sec. 135. The Joint Legislative Commission on Governmental Operations may study the radio and equipment needs of the State Bureau of Investigation, Department of Justice. The Joint Legislative Commission on Governmental Operations may delegate the study of this issue to an appropriate State agency or legislative committee.

Requested by: Rep. Bob Etheridge
-----JAIL AND DETENTION SERVICES TRANSFER

Sec. 136. The Department of Human Resources and the Department of Justice shall study the feasibility of transferring the jail and detention unit standard and inspection services from the Department of Human Resources to the Department of Justice. The departments shall report their findings and recommendations to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by March 15, 1988.

PART XVII.-----DEPARTMENT OF AGRICULTURE

Requested by: Reps. Watkins, Bruce Ethridge
-----N.E. AND S.E. FARMERS MARKETS FUNDING

Sec. 137. (a) Of the funds appropriated in Section 158(b) of Chapter 1014 of the 1985 Session Laws and placed in a nonreverting capital account for the establishment of the Northeastern North Carolina Farmers Market, twenty-five thousand dollars ($25,000) shall be available for the operation of the Northeastern North Carolina Farmers Market during the 1988-89 fiscal year provided that land has been purchased for the market.

(b) Of the funds appropriated in Section 159(b) of Chapter 1014 of the 1985 Session Laws and placed in a nonreverting capital account for the establishment of the Southeastern North Carolina Farmers Market, twenty-five thousand dollars ($25,000) shall be available for the operation of the Southeastern North Carolina Farmers Market during the 1988-89 fiscal year provided that land has been purchased for the market.

Requested by: Sen. Plyler
-----NORTH CAROLINA EGG FUND

Sec. 138. (a) G.S. 106-245.37 is amended by adding a new sentence, immediately after the first sentence, to read:

"All moneys credited to the 'North Carolina Egg Fund' are hereby appropriated to the North Carolina Egg Association, a North Carolina nonprofit corporation, for research, education, publicity, advertising, and other promotional activities for the benefit of producers of eggs sold in North Carolina."

(b) Out of the gross collections of the North Carolina Egg Fund, five thousand dollars ($5,000) is allocated to the Department of Agriculture for the 1987-88 fiscal year for the implementation and administration of the program established by Senate Bill 1402, 1987 Session, as ratified.

(c) This section is effective only if Senate Bill 1402, 1987 Session, is ratified.

Requested by: Rep. Bob Etheridge
-----AGRICULTURAL COST SHARE PROGRAM FOR NONPOINT SOURCE POLLUTION CONTROL-STAFF SUPPORT

Sec. 139. Of the funds appropriated to the Department of Natural Resources and Community Development in Section 2 of this act for fiscal year 1987-88 and for fiscal year 1988-89 for expansion of the the Agriculture Cost Share Program for Nonpoint Source Pollution Control, as set out in Part 9, Article 21, of Chapter 143 of the General Statutes the sum of fifty thousand eight hundred eighty-one dollars ($50,881) and the sum of fifty-nine thousand eight hundred eight dollars ($59,808) for the 1988-89 fiscal year shall be used for personnel in the Department of Natural Resources and Community Development to help administer the program.

PART XVIII.-----DEPARTMENT OF COMMERCE

Requested by: Sen. Basnight, Rep. Colton
-----USE OF FUNDS FOR OUT-OF-STATE ADVERTISING

Sec. 140. G.S. 20-81.3(c)(1) reads as rewritten:

"(1) Thirty-three percent (33%) to the account of the Department of Commerce to aid in financing out-of-state print and other media advertising under the program for the promotion of travel and industrial development in this State."

Requested by: Sen. Basnight, Reps. Bruce Ethridge, Colton
-----TECHNOLOGICAL DEVELOPMENT AUTHORITY FUNDING

Sec. 141. The funds appropriated in Section 2 of this act to the North Carolina Technological Development Authority shall be used for the operating expenses of the Authority.

Requested by: Sen. Basnight
-----BIOTECHNOLOGY CENTER RESERVE/NONREVERTING

Sec. 142. Funds appropriated in Section 2 of this act into the Reserve for Biotechnology Center shall remain available until expended and may not revert to the General Fund at the end of each fiscal year.

Requested by: Rep. Robert Hunter
-----INCUBATOR FACILITY LEASE EXTENSION AUTHORITY

Sec. 143. Effective upon ratification, G.S. 143B-471.4(e) reads as rewritten:

"(e) The incubator facility and any improvements shall be owned by a county, city, political subdivision, nonprofit corporation, or charitable or educational trust, but may be leased to the grant recipient. Small business concern residents of the facility may be provided secretarial and other support facilities and utilities for which the corporation may charge them a part or all of the cost. No small business concern may remain in the facility for more than two years, provided that if the owner of the property determines that it is in the best interest of the economic vitality of the owner, lessor and lessee, or it is economically and physically beneficial to the owner, lessor and lessee, the lease may be extended for a period not to exceed one additional year. Notwithstanding any other provision of law, the State shall not be liable for any act or failure to act of any organization granted funds under this Part, or any small business concern benefiting from the incubator facilities program."

Requested by: Sen. Basnight
-----BOAT TOURISM FUNDS

Sec. 144. The Department of Commerce shall use funds available to it for the 1987-89 fiscal biennium to attract boating traffic along the Intracoastal Waterway of North Carolina. The Department shall develop and distribute effective print media to make North Carolina's intracoastal waterway ports a destination point for boaters traversing the Atlantic Ocean from Maine to Florida.

The Department shall report on its efforts under this section to the Chairmen of the House and Senate Appropriations Committees on the Base Budget and Expansion Budget and to the Chairmen of the

Joint Appropriations Committees on Natural and Economic Resources by October 1, 1987, and shall make quarterly progress reports thereafter. A copy of each report shall be provided to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.

Requested by: Rep. Bruce Ethridge
-----SPECIAL EMPLOYMENT SECURITY ADMINISTRATION FUND/RESTRICTIONS AND REPORTS

Sec. 145. Notwithstanding G.S. 96-5(c), there is appropriated from the Special Employment Security Administration Fund to the Employment Security Commission of North Carolina the sum of two million six hundred ninety thousand dollars ($2,690,000) for the 1987-88 fiscal year and the sum of two million six hundred ninety thouand dollars ($2,690,000) for the 1988-89 fiscal year for the administration of the Veterans Employment Program, Employment Services Program, and Unemployment Insurance Program. The Employment Security Commission shall report to the Joint Legislative Commission on Governmental Operations by the first of each month, prior to an expenditure of any funds appropriated by this section. Supplemental federal funds or other additional funds received by the Employment Security Commission for similar purposes shall be expended prior to the expenditure of funds appropriated by this section. The Employment Security Commission's monthly report shall include the following:

(1) The amount of funds to be expended from this appropriation and the intended purposes of this expenditure;

(2) Any federal funds or other additional funds to be received that might reduce the amount of funds required from this appropriation;

(3) The balance remaining in the Special Employment Security Administration Fund;

(4) The total amount of funds previously expended from the Special Employment Security Administration Fund and the purposes of these expenditures;

(5) Any outstanding obligations against the Special Employment Security Administration Fund; and

(6) Any receipts expected to be generated to the Special Employment Security Administration Fund.

Requested by: Sen. Goldston
-----ABC WAREHOUSE OPERATION CONTRACTS

Sec. 146. (a) The North Carolina Alcoholic Beverage Control Commission is directed to cancel, at the earliest possible date,

and no later than January 31, 1990, the CONTRACT FOR MANAGEMENT OF THE WAREHOUSING AND DISTRIBUTION OF ALCOHOLIC BEVERAGES FOR THE STATE OF NORTH CAROLINA and the CONTRACT FOR SECURITY SERVICES FOR THE NORTH CAROLINA ABC COMMISSION OFFICE COMPLEX signed on or about June 3, 1987, when the cancellations can be made without penalty to the State. The North Carolina Alcoholic Beverage Control Commission is directed to seek bids for future services like those provided under these contracts. This provision does not ratify a contract that is otherwise void or voidable.

(b) This section is effective upon ratification.

PART XIX.-----OFFICE OF THE GOVERNOR

Requested by: Sen. Basnight, Reps. Bruce Ethridge, Colton

-----REORGANIZATION BY DEPARTMENT HEADS/REPORTING REQUIREMENTS

Sec. 147. Effective upon ratification, G.S. 143B-10(b) reads as rewritten:

"(b) Reorganization by Department Heads. With the approval of the Governor, each head of a principal State department may establish or abolish within his department any division. Each head of a principal State department may establish or abolish within his department any other administrative unit to achieve economy and efficiency and in accordance with sound administrative principles, practices, and procedures except as otherwise provided by law. When any such act of the head of the principal State department affects existing law the provisions of Article III, Sec. 5(10) of the Constitution of North Carolina shall be followed.

Each Department Head shall report all reorganizations under this subsection to the President of the Senate, the Speaker of the House of Representatives, the Chairmen of the Appropriations Committees in the Senate and the House of Representatives, and the Fiscal Research Division of the Legislative Services Office, within 30 days after the reorganization if the General Assembly is in session, otherwise to the Joint Legislative Committee on Governmental Operations and the Fiscal Research Division of the Legislative Services Office, within 30 days after the reorganization. The report shall include the rationale for the reorganization and any increased efficiency in operations expected from the reorganization."

Requested by: Sen. Thomas, Rep. Murphy
-----GOVERNOR'S SPECIAL CONSULTANT ON LEGISLATION/ALLOCATION OF FUNDS

Sec. 148. Funds to support the Governor's Special Consultant on Legislation shall be allocated from Budget Code 13000.

PART XX. OFFICE OF THE LIEUTENANT GOVERNOR

Requested by: Sen. Royall
-----JOBS AND ECONOMIC GROWTH COMMISSION

Sec. 149. (a) Section 52(a) of Chapter 757, Session Laws of 1985, reads as rewritten:

"(a) There is created the North Carolina Commission on Jobs and Economic Growth. This Commission shall continue to be an advisory commission and shall work with private and public institutions and with individuals to assess the implementation of the 1986 report of the Commission and continue to identify the major economic challenges facing this State with an emphasis on increasing the competitiveness of our urban areas and to develop practical proposals for meeting these challenges to be submitted to the executive and legislative branches of State government. The Commission shall report to the 1987 Session of the General Assembly (Regular Session 1988)."

(b) Section 52(b) of Chapter 757, Session Laws of 1985, reads as rewritten:

"(b) The Commission shall consist of no more than 30 members to be appointed by, and to serve at the pleasure of, the President of the Senate, except that terms of members shall expire August 15, 1987, and new members shall be appointed thereafter to serve at the pleasure of the President of the Senate or until June 30, 1989, whichever occurs first. If any vacancies shall occur, the President of the Senate shall appoint successors to serve at his pleasure or until June 30, 1989, whichever comes first. If members of the General Assembly are appointed an equal number from each house shall be appointed."

(c) Section 52 of Chapter 757, Session Laws of 1985, is amended by adding two new subsections to read:

"(f) Of the funds appropriated in Section 2 of this act to the Office of the Lieutenant Governor the sum of two hundred thousand dollars ($200,000) for the 1987-88 fiscal year shall be used to fund the Commission established by subsection (a) of this section.

(g) This section shall expire June 30, 1989."

PART XXI.-----DEPARTMENT OF NATURAL RESOURCES AND COMMUNITY DEVELOPMENT

Requested by: Sen. Basnight, Rep. Colton
-----SALES TAX PROCEEDS FOR WILDLIFE FUND MODIFIED.

Sec. 150. G.S. 105-164.44B reads as rewritten:

"§ *105-164.44B. Transfer to Wildlife Resources Fund of taxes on hunting and fishing supplies and equipment.*--~~The estimated amount of State sales and use taxes collected on hunting and fishing supplies and equipment for fiscal year 1985-86 is two million dollars ($2,000,000). This amount shall be used to determine the amount of sales and use tax collections transferred by the Secretary of Revenue to the State Treasurer for the Wildlife Resources Fund. During fiscal year 1985-86 the Secretary of Revenue shall transfer one-twelfth of two million dollars ($2,000,000) each month to the State Treasurer for the Wildlife Resources Fund. During following fiscal years the Secretary of Revenue shall transfer one-twelfth of two million dollars ($2,000,000) each month to the State Treasurer for the Wildlife Resources Fund, plus or minus the percentage of that amount by which the total collection of State sales and use taxes increased or decreased during the preceding fiscal year.~~ For the 1987-88 fiscal year, the Secretary of Revenue shall transfer at the end of each quarter from the State sales and use net tax collections received by the Department of Revenue under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife Resources Fund, one fourth of one million nine hundred sixty thousand dollars ($1,960,000). During subsequent fiscal years, the Secretary of Revenue shall transfer at the end of each quarter from the State sales and use tax net collections received by the Department of Revenue under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife Resources Fund, one fourth of one million nine hundred sixty thousand dollars ($1,960,000) plus or minus the percentage of that amount by which the total collection of State sales and use taxes increased or decreased during the preceding fiscal year."

Requested by: Sen. Basnight, Reps. Bruce Ethridge, Colton
-----USE COMMUNITY SERVICE WORKERS FOR STATE PARKS DEVELOPMENT AND REPAIR

Sec. 151. The funds appropriated to the Department of Natural Resources and Community Development in Section 231 of Chapter 1014 of the 1985 Session Laws for community service workers shall remain available to the Department for use over the 1987-89 biennium. These funds shall be used for temporary and permanent, time-limited personnel to supervise community service workers and provide logistical support for the parks where projects are to be undertaken, and where community service workers are available

to perform repairs and maintenance of the parks, and for the cost of transporting the workers and supervisors to the parks.

The Department of Natural Resources and Community Development shall continue to maximize the use of community service workers for development and repair of State parks and shall continue to implement its plan for doing so over the 1987-89 biennium. The Department shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Chairmen of the House and Senate Appropriations Committees on the Base Budget and Expansion Budget and to the Chairmen of the Joint Appropriations Committees on Natural and Economic Resources.

Requested by: Rep. Watkins
-----UNIFORMS FOR SEASONAL STATE PARK EMPLOYEES

Sec. 152. Effective upon ratification, Article 2 of Chapter 113 of the General Statutes is amended by adding a section to read:

"§ *113-35.1. Uniforms for seasonal park employees.*-- The Department of Natural Resources and Community Development shall design and adopt a distinguishing uniform vest for seasonal park employees. This vest shall be designed in one size to fit all seasonal employees. The Department shall furnish each seasonal employee with a uniform vest. The seasonal employee shall be required to wear the vest during working hours and shall be required to return the vest at the end of the season or upon termination of employment."

Requested by: Rep. N. J. Crawford, Sen. Barnes
-----ADOPT-A-TRAIL PROGRAM

Sec. 153. (a) Article 6 of Chapter 113A of the General Statutes is amended by adding a section to read:

"§ *113A-92.1. Adopt-A-Trail Program.*-- The Department shall establish an Adopt-A-Trail Program to coordinate with the Trails Committee and local groups or persons on trail development and maintenance. Local involvement shall be encouraged, and interested groups are authorized to 'adopt-a-trail' for such purposes as placing trail markers, trail building, trail blazing, litter control, resource protection, and any other activities related to the policies and purposes of this Article."

(b) Of the funds appropriated in Section 2 of this act to the Department of Natural Resources and Community Development, the sum of ninety thousand one hundred twenty-two dollars ($90,122) for the 1987-88 fiscal year is to be used as follows:

(1) thirty-five thousand dollars ($35,000) for the costs of operating this program, and

(2) fifty-five thousand one hundred twenty-two dollars ($55,122) for four regional coordinators to work in the Trails Program;

and the sum of one hundred eight thousand four hundred ninety-six dollars ($108,496) for the 1988-89 fiscal year is to be used as follows:

(1) thirty-five thousand dollars ($35,000) for the costs of operating this program, and

(2) seventy-three thousand four hundred ninety-six dollars ($73,496) for four regional coordinators to work in the Trails Program.

Requested by: Reps. Ethridge, Watkins, Bob Etheridge, Nesbitt

-----ALBEMARLE/PAMLICO ESTUARINE STUDY

Sec. 154. Of the funds appropriated in Section 2 of this act to the Department of Natural Resources and Community Development for the Albemarle/Pamlico Estuarine Study, the sum of three hundred seventy-five thousand dollars ($375,000) in fiscal year 1987-88 and the sum of five hundred thousand dollars ($500,000) in fiscal year 1988-89 shall be used to match federal funds to conduct the study. If additional federal funds are available in succeeding State fiscal years, the Department may submit a request for additional State funds to match federal funds that might be made available.

Requested by: Sen. Basnight, Rep. Bruce Ethridge

-----RECEIPTS COLLECTED BY NRCD, ENVIRONMENTAL MANAGEMENT DIVISION

Sec. 155. Except as otherwise required by federal law or conditions of federal grants, the following receipts collected by the Department of Natural Resources and Community Development, Environmental Management Division, shall be deposited in the General Fund immediately upon collection:

(1) Environmental Violation Fines, Budget Subhead 14300,1310-0720;

(2) Laboratory Certification Fees, Budget Subhead 14300,1320-0722;

(3) Air permits, Budget Subhead 14300,1330-0708; and

(4) Water Permits, Budget Subhead 14300,1340-0707.

The Department of Natural Resources and Community Development shall report quarterly, beginning January 1, 1988, on the receipts collected by the Environmental Management Division to the Chairmen of the House and Senate Appropriations Committees on the Base Budget and the Expansion Budget and to the Chairmen of the Joint Appropriations Committees on Natural and Economic Resources. Copies of each report shall be submitted to the Joint Legislative

Commission on Governmental Operations and the Fiscal Research Division.

Requested by: Sen. Marvin, Rep. Holt
-----REPORT ON FORESTRY CAMP

Sec. 156. (a) The Department of Natural Resources and Community Development and the Department of Correction shall cooperate fully in the development of a joint plan for the construction of a facility for the Youthful Offenders Forestry Program and in the operation of the Youthful Offenders Forestry Program. The Departments shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on their joint plan before they implement the plan.

(b) Of the funds appropriated in Section 2 of Chapter 1014, Session Laws of 1985, to a reserve for a forestry camp in the Office of State Budget and Management, the sum of nine hundred seventy-three thousand three hundred sixty-four dollars ($973,364) shall be allocated in fiscal year 1987-88 for the construction and operation of the Youthful Offenders Forestry Program at the camp. These funds shall remain available for use by the forestry camp until June 30, 1989. Any capital funds not expended by June 30, 1989, shall revert to the General Fund. The Department of Correction shall contract with the Department of Natural Resources and Community Development for the operation of the Youthful Offenders Forestry Program. Notwithstanding any other provision of law, force account labor shall be used to the maximum extent possible to construct the camp.

The camp may not be located on property owned by or under the supervision of the Department of Agriculture without the consent of the Commissioner of Agriculture.

The Department of Natural Resources and Community Development shall submit quarterly progress reports beginning on October 1, 1987, to the Chairmen of the Appropriations-Base Budget Committee and the Appropriations Expansion Budget Committee in the House, to the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, to the Chairmen of the Joint Appropriations Committee on Natural and Economic Resources, and to the Chairmen of the Joint Appropriations Committee on Justice and Public Safety. Copies of these reports shall also be submitted to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. Each progress report shall show the amount of funds expended during the quarter and year-to-date expenditures, the percent of the project completed, estimated project completion date, the number of inmate participants, and any other

information required to evaluate the effectiveness of this project to rehabilitate youthful offenders and to provide forest fire protection services through the Division of Forest Resources.

Requested by: Sen. Basnight

-----CHOWAN INTERSTATE COMMISSION

Sec. 157. (a) Section 207(b) of Chapter 757, Session Laws of 1985 reads as rewritten:

"(b) The President of the Senate and the Speaker of the House of Representatives of the North Carolina General Assembly (hereinafter, the President and the Speaker) may establish, in cooperation with the Virginia General Assembly, a commission to study the Chowan River, its tributaries, their uses, ~~and~~ the effects of these uses, shared highways and waters of mutual interest. The commission shall consist of an equal number of members of each of the General Assemblies of Virginia and North Carolina. Members of this commission from North Carolina shall consist of an equal number from the House of Representatives and the Senate. The Speaker shall appoint members from the House of Representatives, and the President shall appoint members from the Senate. The Speaker and the President shall appoint their members as soon as possible."

(b) Section 207(c) of Chapter 757, Session Laws of 1985 reads as rewritten:

"(c) The President and the Speaker may cooperate with the Virginia General Assembly to establish a date for the submission of the results of the study. The results of the study shall be submitted to the President and the Speaker. The results of the study may be submitted to other bodies, including the Virginia General Assembly, as agreed to by the Virginia General Assembly, the President, and the Speaker. The study shall contain findings of fact, conclusions based thereon, and any recommendations for new legislation or other action as the members of the commission may choose to make. As a minimum, the study shall include the following:

(1) A study of the effect of the uses identified in subsection (b) of this section on the Chowan River and its tributaries; ~~and~~

(2) A study of the possible costs and benefits of the implementation of agricultural best management practices on the Chowan River and its tributaries; and

(3) Possible joint or cooperative efforts to improve highways of mutual interest to Virginia and North Carolina.

The commission may undertake to identify and study the effect of such other uses of the Chowan River and its tributaries as the commission deems relevant, and the commission may make such additional recommendations for new legislation or other action, based

on identification of such uses and their effects, as the commission may choose."

(c) Funds appropriated by Section 207(d) of Chapter 757, Session Laws of 1985, to the Chowan Interstate Commission that were not spent or encumbered on June 30, 1987, do not revert and shall remain available to that Commission until June 30, 1989.

(d) This section shall become effective June 30, 1987.

Requested by: Rep. Nesbitt

-----LAND RECORDS MANAGEMENT PROGRAM

Sec. 158. (a) G.S. 143-345.6 reads as rewritten:

"§ *143-345.6. Land records management program.*--(a) The ~~Secretary shall establish~~ Department of Natural Resources and Community Development shall administer a land records management program for the purposes (i) of advising registers of deeds, local tax officials, and local planning officials about sound management practices, and (ii) of establishing greater uniformity in local land records systems. The management program shall consist of the activities provided for in subsections ~~(b), (c), (d), and (e) below~~ (b) through (e) of this section, and other related activities essential to the effective conduct of the management program.

(b) The ~~Secretary shall~~ Department of Natural Resources and Community Development, in cooperation with the Secretary of Cultural ~~Resources, develop recommended standards and specifications for the reproduction of records by photography, microphotography, and by other means, and for the security of recorded documents. The recommended standards and specifications developed shall take into account the needs of the general public, space requirements of local offices, the costs of various filming and recording technologies, personnel available to staff local records offices, and the need for permanency of records affecting title to land. The recommended standards and specifications shall not be binding upon the offices of local governments to which they apply~~ Resources and in accordance with G.S. 121-5(c) and G.S. 132-8.1, shall establish minimum standards and provide advice and technical assistance to local governments in implementing and maintaining minimum standards with regard to the following aspects of land records management:

(1) Uniform indexing of land records;

(2) Uniform recording and indexing procedures for maps, plats and condominiums; and

(3) Security and reproduction of land records.

~~(c) Mapping programs.~~

~~(1) The Secretary shall conduct a program for the preparation of county base maps pursuant to standards prepared by the Department of Natural Resources and Community Development.~~

~~(2) The Secretary shall, in cooperation with the Secretary of Revenue, conduct a program for the preparation of county property-line maps under the direction of qualified surveyors pursuant to standards prepared by the Department of Revenue and Natural Resources and Community Development.~~

(c) The Department of Natural Resources and Community Development shall conduct a program for the preparation of county base maps pursuant to standards prepared by that Department.

(c1) The Department of Natural Resources and Community Development shall, in cooperation with the Secretary of Revenue, conduct a program for the preparation of county cadastral maps pursuant to standards prepared by the Department of Natural Resources.

(d) Upon the joint request of any board of county commissioners and the register of deeds and subject to available resources of personnel and funds, the Secretary shall make a management study of the office of register of deeds, using assistance from the Office of State Personnel. At the conclusion of the study, the Secretary shall make nonbinding recommendations to the board, the register of deeds, and to the General Assembly.

(e) The ~~Secretary,~~ Department of Natural Resources and Community Development, in cooperation with the Secretary of Cultural Resources and in accordance with G.S. 121-5(c) and G.S. 132-8.1, shall undertake research and provide advice and technical assistance to local governments on the following aspects of land records management:

~~(1) Uniform indexing of land records;~~

~~(2) Uniform recording and indexing procedures for maps, plats, and condominiums;~~

~~(3)~~ (1) Centralized recording systems;

~~(4)~~ (2) Filming, filing, and recording techniques and equipment; ~~and~~

~~(5)~~ (3) Computerized land records systems; and

(4) Storage and retrieval of land records.

(f) An advisory committee on land records is created to assist the Secretary in administering the land records management program. The Governor shall appoint 12 members to the committee; one member shall be appointed from each of the organizations listed below from

persons nominated by the organization:

(1) The North Carolina Association of Assessing Officers;
(2) The North Carolina Section of the American Society of Photogrammetry;
(3) The North Carolina Chapter of the American Institute of Planners;
(4) The North Carolina Section of the American Society of Civil Engineers;
(5) The North Carolina Tax Collectors' Association;
(6) The North Carolina Association of Registers of Deeds;
(7) The North Carolina Bar Association;
(8) The North Carolina Society of Land Surveyors; and
(9) The North Carolina Association of County Commissioners.

In addition, three members from the public at large shall be appointed. The members of the committee shall be appointed for four-year terms, except that the initial terms for members listed in positions (1) through (4) above and for two of the members-at-large shall be two years; thereafter all appointments shall be for four years. The Governor shall appoint the chairman, and the committee shall meet at the call of the chairman. The Governor in making the appointments shall try to achieve geographical and population balance on the advisory committee; one third of the appointments shall be persons from the most populous counties in the State containing approximately one third of the State's population, one third from the least populous counties containing approximately one third of the State's population, and one third shall be from the remaining moderately populous counties containing approximately one third of the State's population. Each organization shall nominate one nominee each from the more populous, moderately populous, and less populous counties of the State. The members of the committee shall receive per diem and subsistence and travel allowances as provided in G.S. 138-5."

(b) Section 3 of Chapter 932, Session Laws of 1977, as amended by Chapter 453, Session Laws of 1981, is rewritten to read:

"Sec. 3. This act is effective upon ratification."

(c) Of the funds appropriated in Section 2 of this act to the Department of Natural Resources and Community Development, the sum of ninety-seven thousand seven hundred seventy-nine dollars ($97,779) for the 1987-88 fiscal year and the sum of one hundred thirty-five thousand forty-one dollars ($135,041) for fiscal year 1988-89 shall be used to provide additional personnel in the Land Records Management Program.

(d) Of the funds appropriated in Section 2 of this act to the Department of Natural Resources and Community Development, the

sum of two hundred fifty thousand dollars ($250,000) for the 1987-88 fiscal year shall be used to purchase a global positioning system (GPS) to assist in the improvement of county land records.

(e) This section shall become effective October 1, 1987.

Requested by: Rep. Bob Etheridge

-----JOB TRAINING PARTNERSHIP ACT

Sec. 159. The General Assembly finds that it is more efficient to contract directly with an agency or institution capable of providing the required services than to contract with an agency that subcontracts with another agency to provide training to Job Training Partnership Act participants; therefore, the State Job Training Coordinating Council and the Governor shall maximize, to the extent practicable, contracting directly with the agency or institution capable of providing the required services.

Sec. 160. The Governor and State Job Training Coordinating Council shall ensure that the Job Training Partnership Act management information system is updated quarterly with financial and program information. This information shall be made available upon request to all agencies of State government having responsibility for the Job Training Partnership Act.

Sec. 161. To the extent permitted under P.L. 97-300, State priorities for employment and training of the Job Training Partnership Act eligible population shall include:

(1) Remedial education, basic skills training, and dropout prevention;

(2) Institutional skills training;

(3) On-the-job training;

(4) Programs of advanced career training which provide a formal combination of on-the-job and institutional training and internship assignments which prepare individuals for career employment;

(5) Training programs operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply;

(6) Supportive services necessary to enable individuals to participate in the program and to assist them for a period not to exceed six months in retaining employment following completion of training;

(7) Pre-apprenticeship programs;

(8) On-site industry-specific training programs supportive of industrial and economic development; and

(9) Customized training conducted with a commitment by an employer or groups of employers to employ an individual upon successful completion of that training.

PART XXII.-----DEPARTMENT OF TRANSPORTATION

Requested by: Sen. Goldston, Rep. Bob Etheridge
-----HIGHWAY FUND/ALLOCATIONS BY THE CONTROLLER

Sec. 162. The Controller of the Department of Transportation shall allocate, at the beginning of each fiscal year, from the various appropriations made to the Department of Transportation in Section 3 of this act, Titles:

02.b. - State Construction
02.c. - State Funds to Match Federal Highway Aid
02.d. - State Maintenance
02.e. - Ferry Operations.

Sufficient funds to eliminate all overdrafts on State maintenance and construction projects, and these allocations may not be diverted to other purposes.

Requested by: Sen. Goldston, Rep. Bob Etheridge
-----HIGHWAY FUND/LIMITATIONS ON OVEREXPENDITURES

Sec. 163. (a) Overexpenditures may be made by authorization of the Director of the Budget from Section 3 of this act, Titles:

02.b.(01) - State Construction/Primary Construction
02.b.(03) - State Construction/Urban Construction
02.b.(04) - State Construction/Access and Public Service Roads
02.c. - State Funds to Match Federal Highway Aid
02.d. - State Maintenance
02.e. - Ferry Operations;

provided, that there are corresponding underexpenditures from these same titles. Overexpenditures or underexpenditures in any titles may not vary by more than ten percent (10%) without prior consultation with the Advisory Budget Commission.

(b) Overexpenditures from Section 3 of this act, Titles:

02.b.(01) - State Construction/Primary Construction
02.b.(03) - State Construction/Urban Construction
02.b.(04) - State Construction/Access and Public Service Roads
02.c. - State Funds to Match Federal Highway Aid
02.d. - State Maintenance
02.e. - Ferry Operations

for the purpose of providing additional positions shall be approved by the Director of the Budget.

Requested by: Sen. Goldston, Rep. Bob Etheridge
-----CASH FLOW/HIGHWAY FUND APPROPRIATIONS

Sec. 164. The General Assembly authorizes and certifies anticipated revenues of the Highway Fund as follows:

For Fiscal Year 1989-90	$898,100,000
For Fiscal Year 1990-91	$914,200,000

Requested by: Sen. Goldston, Rep. Bob Etheridge
-----RESURFACED ROADS MAY BE WIDENED

Sec. 165. Of the contract maintenance resurfacing program funds appropriated in Section 3 of this act to the Department of Transportation, an amount not to exceed ten percent (10%) of the Board of Transportation's allocation of these funds may be used for widening existing narrow pavements that are scheduled for resurfacing.

Requested by: Sen. Goldston, Rep. Bob Etheridge
-----USE OF SALES TAX COLLECTED BY THE DIVISION OF MOTOR VEHICLES

Sec. 166. Notwithstanding the second sentence of the sixth paragraph of G.S. 105-164.4(1), the Department of Transportation may deduct and retain from the sales tax on motor vehicles collected pursuant to that subdivision an amount equal to the cost to the Division of Motor Vehicles of collecting the sales tax on motor vehicles, but not to exceed four hundred seventy-five thousand dollars ($475,000) per year. The cost of collecting this tax shall be determined by the Secretary of Transportation, subject to the approval of the State Budget Officer.

Requested by: Sen. Basnight, Rep. Bruce Ethridge
-----URBAN CONSTRUCTION FUNDS

Sec. 167. Of the funds appropriated in Section 3 of this act to the Department of Transportation for fiscal year 1987-88, twenty million dollars ($20,000,000) shall be allocated for small urban construction projects. Fourteen million dollars ($14,000,000) shall be allocated equally among the 14 Highway Divisions for the Small Urban Construction Program for small urban construction projects that are located within the area covered by a one-mile radius of the municipal corporate limits. The remaining six million dollars ($6,000,000) shall be used statewide for rural or small urban highway improvements as approved by the Secretary of the Department of Transportation.

None of these funds used for rural secondary road construction are subject to the county formula allocation as provided by G.S. 136-44.5.

Requested by: Sen. Basnight, Rep. Bruce Ethridge
-----HIGHWAY FUND/ADJUSTMENTS TO REFLECT ACTUAL REVENUE

Sec. 168. Any unreserved credit balance in the Highway Fund on June 30 of each of the fiscal years shall support appropriations in the succeeding fiscal year. If all of the balance is not needed for these appropriations, the Director of the Budget may use the remaining excess to establish a reserve for access and public service roads, a reserve for unforeseen happenings or state of affairs requiring prompt action as provided for by G.S. 136-44.2, and other required reserves. If all of the remaining excess is not used to establish these reserves, the remainder shall be allocated to the State-funded maintenance or construction appropriations in the manner approved by the Board of Transportation.

Requested by: Rep. Bob Etheridge
-----INCREASE IN PAY GRADES FOR CERTAIN DMV POSITIONS

Sec. 169. (a) Certain positions within the Department of Transportation, Division of Motor Vehicles, School Bus and Traffic Safety Section, shall receive an increase in pay grade as follows:

(1) The position of Education Program Specialist shall be increased from pay grade 69 to pay grade 70; and

(2) The position of Driver Education Representative shall be increased from pay grade 68 to pay grade 69.

(b) Of the funds appropriated in Section 3 of this act from the Highway Fund to the Department of Transportation, Division of Motor Vehicles, the sum of one hundred twenty-one thousand five hundred forty dollars ($121,540) for the 1987-88 fiscal year and the sum of one hundred twenty-one thousand nine hundred ten dollars ($121,910) for the 1988-89 fiscal year shall be used to implement this section.

Requested by: Rep. Bruce Ethridge
-----CONTINUING PUBLIC TRANSPORTATION APPROPRIATIONS

Sec. 170. (a) Article 1 of Chapter 136 of the General Statutes is amended by adding the following new sections:

"§ *136-16.4. Continuing aviation appropriations.*--There is annually appropriated, beginning with the 1987-88 fiscal year, from the General Fund to the Department of Transportation for aviation

purposes, a sum equal to the estimated revenue derived from the State's sales and use taxes (exclusive of refunds, penalties, and interest) collected and received on sales made on and after the first day of the fiscal year representing sales and use taxes on aircraft, aircraft parts, accessories, lubricants and aviation fuel.

"§ *136-16.5. Purposes for continuing aviation appropriations.*--The continuing aviation appropriations authorized by G.S. 136-16.4 shall be used in accordance with the provisions of Article 7 of Chapter 63 of the General Statutes.

"§ *136-16.6. Continuing rail appropriations.*--There is annually appropriated, beginning with the 1987-88 fiscal year, from the General Fund to the Department of Transportation for rail purposes the greater of one hundred thousand dollars ($100,000) or one hundred percent (100%) of the annual dividends received in the prior fiscal year (less any amounts that are required by Section 13.18 of Chapter 792, Session Laws of 1985 to be paid for the expenses of the Railroad Negotiating Commission) by the State from its ownership of stock in the North Carolina Railroad Company and the Atlantic and North Carolina Railroad Company.

"§ *136-16.7. Purposes for continuing rail appropriations.*--The continuing rail appropriation authorized by G.S. 136-16.6 shall be used in accordance with the provisions of Article 2D of Chapter 136 of the General Statutes.

"§ *136-16.8. Continuing appropriations for public transportation.*--There is annually appropriated, beginning with the 1987-88 fiscal year, from the Highway Fund to the Department of Transportation for public transportation purposes the greater of one million six hundred forty-five thousand dollars ($1,645,000) or the amount derived by multiplying the number of vehicles estimated to be registered as of the first day of each fiscal year by fifty cents ($.50).

"§ *136-16.9. Purposes for continuing public transportation appropriations.*--The continuing public transportation appropriations authorized by G.S. 136-16.8 shall be used in accordance with the provisions of Article 2B of Chapter 136 of the General Statutes."

(b) G.S. 143B-350(f)(4) reads as rewritten:

"(4) To approve a schedule of all major transportation improvement projects and their anticipated cost for a period of seven years into the future which shall be published in a single document along with a report of the progress accomplished in the past year and the anticipated funding sources for these projects:"

(c) This section shall become effective September 1, 1987, and shall expire June 30, 1990.

Requested by: Sen. Plyler, Rep. Bob Etheridge
-----SPECIAL APPROPRIATIONS FOR HIGHWAYS

Sec. 171. Of the funds appropriated to the Department of Transportation for special appropriations for highways, sixty million dollars ($60,000,000) for fiscal year 1987-88 and sixty million dollars ($60,000,000) for fiscal year 1988-89 may be used for:

(1) supplemental funding for highway construction, reconstruction, and rehabilitation projects for State and Federal Aid Road systems;
(2) supplemental funding for the planning, design and engineering of highways and acquisition of highway rights-of-way;
(3) matching funds for unanticipated federal-aid construction funds;
(4) payment for all or any portion of the interest or principal on bonds issued by the State for road and highway purposes; or
(5) a means of maintaining a uniform seasonal pace of highway construction.

These funds shall be allocated equitably each year among the 14 Highway Divisions. Notwithstanding any other provisions of Chapter 136 of the General Statutes, the Department shall make allocations under this section in a manner that assures that at the end of the second year each of the 14 Highway Divisions, over the two-year period, has been allocated an equal amount, insofar as possible, of all funds allocated under this section. The Secretary shall report in writing, on a monthly basis, to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the projects that have been funded, and those projects that he reasonably expects to be funded under this section. The report shall set out the reasons this method of funding serves the best interest of the State's transportation improvement programs. That report shall include, among other things, the cost savings realized, and the manner in which the cost savings have been realized by the use of the funds allocated under this section.

Requested by: Sen. Plyler, Rep. Bob Etheridge
-----COMMISSION PAID TO BRANCH AGENTS

Sec. 172. Section 202 of Chapter 1034 of the 1983 Session Laws (Regular Session 1984) is amended by deleting "seventy cents (70¢)" and substituting "seventy-two cents (72¢)".

PART XXIII.-----DEPARTMENT OF PUBLIC EDUCATION

Requested by: Rep. Bob Etheridge, Sen. Ward
-----BEP FUNDING TRANSFER

Sec. 173. The Department of Public Education shall transfer nine million dollars ($9,000,000) from the Trust Fund 63510-6106, unemployment reserve, in fiscal year 1987-88 to the General Fund. Of the funds appropriated in Section 2 of this act to the Department of Public Education, the sum of nine million dollars ($9,000,000) in fiscal year 1987-88 is to be used as a part of the Basic Education Program. These funds are intended to provide educational programs similar to the State and federal programs that comprise the unemployment reserve.

Requested by: Sen. Ward, Rep. Ed Warren
-----REGIONAL OFFICES

Sec. 174. Beginning with the 1987-88 fiscal year, the budgets of the regional centers of the Department of Public Education shall be set out in separate fund codes in the budget.

Requested by: Rep. Bob Etheridge
-----TEXTBOOK SERVICES/ACCOUNTING SUPPORT

Sec. 175. The Department of Public Education may use funds appropriated to it for the 1987-88 fiscal year for the Textbook Fund to provide for a managing accountant III to ensure proper ordering, distributing, inventorying, and accounting for the business operation of the Textbook Services Area.

Requested by: Rep. Nesbitt
-----EQUIPMENT FUNDS

Sec. 176. Of the funds appropriated to the Department of Public Education for the 1987-88 fiscal year in Section 2 of this act in fund code 1817-6684, the sum of one million dollars ($1,000,000) shall be allocated to provide an equal amount per class to each kindergarten class for equipment. The remainder shall be used to meet Basic Education Program equipment requirements for all subject areas.

The funds appropriated to the Department of Public Education for the 1988-89 fiscal year in Section 2 of this act in fund code 1817-6684 shall be used to meet Basic Education Program equipment requirements for all subject areas.

Requested by: Rep. Ed Warren
-----CHILD NUTRITION FUNDS

Sec. 177. Of the funds appropriated in Section 2 of this act to the Department of Public Education, the sum of two hundred eighty thousand dollars ($280,000) for the 1987-88 fiscal year shall be allocated by the State Board of Education to local boards of education for staff development in the areas of financial management, food production, meal service, and nutrition education. Five hundred dollars ($500.00) shall be allocated to each local school administrative unit and the remainder shall be allocated on the basis of average daily membership. Local school units shall participate in the Management Assessment Plan and shall establish a staff development plan.

The Department of Public Education shall report by May 1, 1988, to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services Office on its progress in providing staff development for local child nutrition programs.

Requested by: Rep. Nesbitt
-----SCHOOL PLANNING

Sec. 178. The Office of State Budget and Management shall allocate from the Public School Building Capital Fund to the Department of Public Education up to two hundred fifteen thousand two hundred fifty dollars ($215,250) for the 1987-88 fiscal year, and up to two hundred eighty-seven thousand dollars ($287,000) for the 1988-89 fiscal year. These funds shall be used by the Department of Public Instruction, Division of School Planning for the following new staff members to work with local school administrative units in assessing facility needs and conducting final inspections of construction projects:

(1) One consulting architect III;
(2) One school planning consultant;
(3) One systems information coordinator;
(4) One secretary III; and
(5) Two building system engineer III positions.

Requested by: Rep. Ed Warren
-----DROPOUT PREVENTION STUDY

Sec. 179. The State Board of Education shall study the relationship between academic achievement in grades K through 6 (especially reading, mathematics, and writing to the extent possible) and the problem of children dropping out of school. The State Board shall use the results of this study to make recommendations to the General Assembly on any needed reallocation of resources in the

dropout prevention program.

The State Board of Education shall also develop information on the relationship between the dropout problem and academic achievement at all grade levels.

Requested by: Sen. Tally, Rep. Nesbitt

-----NO TESTING IN GRADES 1 AND 2

Sec. 180. (a) G.S. 115C-174.11(a) reads as rewritten:

"(a) Annual Testing Program. In order to assess the effectiveness of the educational process, and to ensure that each pupil receives the maximum educational benefit from the educational process, the State Board of Education shall implement an annual statewide testing program in basic subjects. It is the purpose of this testing program to help local school systems and teachers identify and correct student needs in basic skills rather than to provide a tool for comparison of individual students or to evaluate teacher performance. The annual testing program shall be conducted each school year for the ~~first, second,~~ third, sixth and eighth grades. Students in these grade levels who are enrolled in special education programs or who have been officially designated as eligible for participation in such programs may be excluded from the testing program if special testing procedures are required for testing such students. The State Board of Education shall select annually the type or types of tests to be used in the testing program. ~~If norm-referenced tests are used in the first or second grade, the tests shall not be used as primary, definitive, or exclusive criteria to make decisions with respect to grade promotion or placement in special education programs.~~

The State Board of Education shall also provide developmentally appropriate individualized assessment instruments consistent with the Basic Education Program for the first and second grades. The State Board of Education shall report to the Joint Legislative Commission on Governmental Operations prior to May 1, 1988, on the assessment instruments it develops."

(b) G.S. 115C-549 reads as rewritten:

"§ *115C-549. Standardized testing requirements.*--Each private church school or school of religious charter shall administer, at least once in each school year, a nationally standardized test or other nationally standardized equivalent measurement selected by the chief administrative officer of such school, to all students enrolled or regularly attending grades ~~one, two,~~ three, six and nine. The nationally standardized test or other equivalent measurement selected must measure achievement in the areas of English grammar, reading,

spelling and mathematics. Each school shall make and maintain records of the results achieved by its students. For one year after the testing, all records shall be made available, subject to the provision of G.S. 115C-196, at the principal office of such school, at all reasonable times, for annual inspection by a duly authorized representative of the State of North Carolina."

(c) G.S. 115C-557 reads as rewritten:

"§ *115C-557. Standardized testing requirements.*--Each qualified nonpublic school shall administer, at least once in each school year, a nationally standardized test or other nationally standardized equivalent measurement selected by the chief administrative officer of such school, to all students enrolled or regularly attending grades ~~one, two,~~ three, six and nine. The nationally standardized test or other equivalent measurement selected must measure achievement in the areas of English grammar, reading, spelling and mathematics. Each school shall make and maintain records of the results achieved by its students. For one year after the testing, all records shall be made available, subject to the provision of G.S. 115C-196, at the principal office of such school, at all reasonable times, for annual inspection by a duly authorized representative of the State of North Carolina."

(d) This act is effective upon ratification and applies to all school years beginning with the 1987-88 school year.

Requested by: Sen. Ward

-----CLASS SIZE

Sec. 181. G.S. 115C-301(d) reads as rewritten:

"(d) Local boards of education shall ~~maintain~~ have unit-wide average class sizes no higher than the average allotment ratio of teachers to students in each grade span funded by the General Assembly ~~for each school year~~ at the end of the second school month. At no time may the General Assembly appropriate funds for higher unit-wide class averages than those for which State funds were provided during the 1984-85 school year. No single class may have more than three students more than the unit-wide average class size applicable to that grade level at the end of the second school month; however, the State Board of Education may set alternate class sizes and daily loads in selected areas such as typewriting, music, and physical education so long as the effectiveness of the instructional program in these areas is not impaired. The maximum ~~equivalent~~ daily student load for teachers in grades 7 through 12 is 150 except as noted above.

Under exceptional circumstances, where there are large fluctuations in student population, local boards of education shall report to the State Board of Education and shall request allotment adjustments or waivers from the standards set out above. Within 45 days of receipt of reports, the State Board of Education, within funds available, may allot additional positions or grant waivers for the excess class size and/or daily load if the local board cannot organizationally correct the situation.

~~The State Board may not permit temporary waivers from the unit-wide average class sizes~~ Notwithstanding the class sizes and daily loads as stated above and after the second month of school, the maximum class ~~sizes~~ size for each class, and the maximum daily loads for teachers set out in this section ~~except under exceptional circumstances, where there are large fluctuations in student population and the situation cannot be handled within funds appropriated to accommodate changes in average daily membership. The situation requiring the waiver should be alleviated within 60 days.~~ shall not exceed ten percent (10%) of the allowable maximum for individual classes and daily loads for the remainder of the school year. ~~All waivers permitted under this paragraph shall be reported to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division by June 1 of each year.~~

In a separate report, local boards of education shall report all individual classes and/or daily loads that exceed the maximums set forth in this provision as of the end of the second month and February 1 of each year. All allotment adjustments and waivers permitted under this paragraph shall be reported to the Director of the Budget and to the General Assembly by April 15th of each year.

The State Board shall adopt rules to implement this subsection."

Sec. 182. G.S. 115C-47(10) reads as rewritten:

"(10) To Assure Appropriate Class Size. -- It shall be the responsibility of local boards of education to determine if any exceptions occur during the school year in the allowed maximums. If additional pupils are enrolled so as to cause assignment of pupils in excess of the allowed maximums, except for an emergency or act of God, it shall be the duty of any affected teacher and of the principal to notify the superintendent, who shall immediately report the deviation to the local board of education. Upon notification of excess deviations in the maximum class size, local boards shall take correctional steps and shall transfer teaching positions between schools, if necessary, to correct the excess deviation. If the local board cannot remedy the situation, it shall immediately apply to the State Board of Education for contingency funds for additional personnel to correct exceptions. ~~Excess deviations which cannot be corrected by transfer of teachers~~

~~and by use of contingency funds shall be temporarily allowed with permission of the State Board of Education.~~

At the end of the first month of school each year, the superintendent of each administrative unit shall file a report for each school with the State Board of Education. This report shall be filed on forms furnished by the board and shall indicate the complete organization of each school, the duties of each teacher or other instructional personnel, and the class size or teaching load of each teacher.

It shall be the duty of local boards of education to provide adequate classroom facilities to meet the requirements of this subdivision and of G.S. 115C-301."

Requested by: Rep. Nesbitt, Sen. Ward

-----PREVOCATIONAL PROGRAMS MAY BE TAUGHT IN GRADE 6

Sec. 183. G.S. 115C-151 reads as rewritten:

"§ *115C-151. Statement of purpose.*--It is the intent of the General Assembly that vocational education be an integral part of the educational process. The State Board of Education is authorized and directed to administer through local boards of education a comprehensive program of vocational education which shall be available to all students who desire it in the public secondary schools and middle schools of this State. The purposes of vocational education in North Carolina public secondary schools shall be:

(1) Vocational Skill Development. -- To prepare individuals for paid or unpaid employment in recognized occupations, new occupations, and emerging occupations.

(2) Preparation for Advanced Education. -- To prepare individuals for participation in advanced or highly skilled vocational and technical education.

(3) Pre-Vocational; Introductory. -- To assist individuals in the making of informed and meaningful occupational choices.

It is also legislative intent to authorize the State Board of Education to support appropriate vocational education instruction and related services for individuals who have other specialized vocational education needs which can be fulfilled through a comprehensive vocational education program as designated by State Board of Education policy or federal vocational education legislation."

Sec. 184. G.S. 115C-152 reads as rewritten:

"§ *115C-152. Definitions.*-The State Board of Education is authorized and directed to provide appropriate definitions to vocational education programs, services, and activities in grades ~~7-12~~ 6-12

otherwise included in this Part. As used in this Part, unless the context requires otherwise:

(1) 'Comprehensive vocational education' means instructional programs, services, or activities directly related to preparation for and placement in employment, for advanced technical education, or for the making of informed and meaningful occupational choices.

(2) 'Preparation for advanced education' means a program, service, or activity designed to prepare individuals for participation in advanced or highly skilled post-secondary and technical education programs leading to employment in specific occupations or a cluster of closely related occupations and for participation in vocational education teacher education programs.

(3) 'Pre-vocational; introductory' means an instructional program, service, or activity designed to familiarize individuals with the broad range of occupations for which special skills are required and the requisites for careers in such occupations.

(4) 'Vocational skill development' means a program, service, or activity designed to prepare individuals for paid or unpaid employment as semi-skilled or skilled workers, technicians, or professional-support personnel in recognized occupations and in new and emerging occupations including occupations or a trade, technical, business, health, office, homemaking, homemaking related, agricultural, distributive, and other nature. Instruction is designed to fit individuals for initial employment in a specific occupation or a cluster of closely related occupations in an occupational field. Such instruction includes education in manipulative skills, theory, auxiliary information, and other associated knowledges."

G.S. 115C-159 reads as rewritten:

"§ *115C-159. Statement of purpose.*--It is the intent of the General Assembly that practical work experiences within the school and outside the school, which are valuable to students and which are under the supervision of a teacher, should be encouraged as a part of vocational education instruction in the public secondary schools and middle schools when such experiences shall be organized and maintained to the best advantage of the vocational education programs. Such activities are a part of the instructional activities in the vocational education programs and are not to be construed as engaging in business. Such services, products, and properties generated through these instructional activities are exempt from the requirements of G.S. 115C-518; the local board shall adopt rules for the disposition of these services, products, and properties. Local boards of education are

authorized to use available financial resources to support such instruction."

Requested by: Rep. Nesbitt, Sen. Ward
-----STANDARDS FOR APPROVAL OF VOCATIONAL EDUCATION PROGRAMS

Sec. 185. The State Board of Education may not approve any local vocational education plans or applications unless:

(1) The programs are in accordance with the purposes of G.S. 115C-151;

(2) The vocational programs and courses are not duplicated within a local school administrative unit, unless the unit has data to justify the duplication or the unit has a plan to redirect the duplicative programs within three years;

(3) For all current job skill programs, there is a documented need, based on labor market data or follow-up data, or there is a plan to redirect the program within two years;

(4) New vocational programs show documented need based on student demand, or for new job skill programs, based on student and labor market demand; and

(5) All programs are responsive to technological advances, changing characteristics of the work force, and the academic, technical, and attitudinal development of students.

Local programs using the cooperative vocational education method shall be approved subject to students enrolled being placed in employment commensurate with the respective program criteria.

As used in this section, "labor market data" means data provided in the State Plan for Vocational Education, data provided through a local survey, or both.

Requested by: Rep. Bob Etheridge
-----CPR TRAINING

Sec. 186. (a) G.S. 115C-81(c) reads as rewritten:

"(c) Local boards of education shall provide for the efficient teaching at appropriate grade levels of all materials set forth in the standard course of study, including integrated instruction in the areas of citizenship in the United States of America, government of the State of North Carolina, government of the United States, fire prevention, the free enterprise system, ~~and~~ the dangers of harmful or illegal drugs, including ~~alcohol.~~ alcohol, and cardio-pulmonary resuscitation (CPR) and the Heimlich maneuver.

Local boards of education shall require all teachers and principals to conduct classes except foreign language classes in English. Any teacher or principal who refuses to do so may be dismissed."

(b) Effective when the components of the standard course of study have been fully incorporated and implemented as a part of the Basic Education Program, G.S. 115C-81(c), as rewritten by subsection (a) of this section, reads as rewritten:

"(c) Local boards of education shall provide for the efficient teaching at appropriate grade levels of all materials set forth in the ~~standard course of study,~~ Basic Education Program, including integrated instruction in the areas of citizenship in the United States of America, government of the State of North Carolina, government of the United States, fire prevention, the free enterprise system, the dangers of harmful or illegal drugs, including alcohol, and cardio-pulmonary resuscitation (CPR) and the Heimlich maneuver.

Local boards of education shall require all teachers and principals to conduct classes except foreign language classes in English. Any teacher or principal who refuses to do so may be dismissed."

(c) Except as otherwise provided, this section is effective upon ratification and applies to all school years beginning with the 1987-88 school year.

Requested by: Rep. Holt

-----SCHOOL HEALTH COORDINATORS/BICYCLE SAFETY INSTRUCTION

Sec. 187. G.S. 115C-81(e) reads as rewritten:

"(e) School Health Education Program to Be Developed and Administered.

(1) A comprehensive school health education program shall be developed and taught to pupils of the public schools of this State from kindergarten through ninth grade. ~~This program shall be developed over a 10-year period beginning July 1, 1978.~~

(2) As used above, 'comprehensive school health' includes the subject matter of mental and emotional health, drug and alcohol abuse prevention, nutrition, dental health, environmental health, family living, consumer health, disease control, growth and development, first aid and emergency care, and any like subject matter. Comprehensive school health also includes the subject matter of bicycle safety in geographical areas where appropriate.

(3) The development and administration of this program shall be the responsibility of each local school administrative unit in the State that receives an allocation of State funds for a school health coordinator, a ~~local~~ school health education

coordinator ~~for each county,~~ who serves the local school administrative unit, the Department of Public Instruction, and a State School Health Education Advisory Committee.

(4) Each existing local school administrative unit is eligible to develop and submit a plan for a comprehensive school health education program which shall meet all standards established by the State Board of Education, and to apply for funds to execute such plans.

The State Board of Education shalldesignate an impartial panel to review health education program plans submitted by local school administrative units. Based on the panel's evaluation of the plans, the State Board of Education shall allocate the State-funded school health coordinators. Where feasible, a school health coordinator shall serve more than one local school administrative unit.

Each person initially employed as a State-funded school health coordinator after June 30, 1987, shall have a degree in health education.

(5) The Department of Public Instruction shall supervise the development and operation of a statewide comprehensive school health education program including curriculum development, in-service training provision and promotion of collegiate training, learning material review, and assessment and evaluation of local programs in the same manner as for other programs. It is the intent of this legislation that a specific position or positions in the Department of Public Instruction shall be assigned responsibilities as set forth in this subsection.

(6) A State School Health Advisory Committee is hereby established.

a. The committee shall provide citizen input into the operations of the program, report annually to the State Board of Education on progress in accomplishing the provisions and intent of this legislation, provide advice to the department with regard to its duties under this subsection, and encourage development of higher education programs which would benefit health education in the public schools.

b. The committee shall meet as necessary but at least twice annually. It shall select annually a chairperson from among its own membership, each member having an equal vote and the chairperson shall appoint such subcommittees as may be necessary. Members of the committee shall serve without compensation; however,

they shall be reimbursed by the Department of Public Instruction for travel and other expenses incurred in the performance of their duties as members of the committee, to the extent that funds are appropriated for this purpose.

c. The committee shall consist of 17 members: 10 appointed by the Governor, two by the State Board of Education, one by the Speaker of the House of Representatives, one by the President of the Senate, and three ex officio members: the Chief, Office of Health Education, Department of Human Resources; the Chief, State Health Planning and Development Agency, Department of Human Resources; and the Superintendent of Public Instruction, or their designees. The Governor's appointees shall be named in the following manner: one physician from a list of three names submitted by the North Carolina Medical Society; one physician from a list of three names submitted by the North Carolina Pediatric Society; one physician from a list of three names submitted by the North Carolina Chiropractic Association; one registered nurse from a list of three names submitted by the North Carolina Nurses' Association; one dentist from a list of three names submitted by the North Carolina Dental Society; one member from a list of three names submitted by the North Carolina Medical Auxiliary; one member from a list of three names submitted by the North Carolina Congress of Parents and Teachers, Inc.; one member from a list of three names submitted by the North Carolina Association for Health, Physical Education, and Recreation; one member from a list of three names submitted by the North Carolina Public Health Association; one member from a list of three names submitted by the North Carolina College Conference on Professional Preparation in Health and Physical Education. The State Board nominees shall represent local school administrative units and shall have been recommended by the Superintendent of Public Instruction. The Speaker's nominee shall be a member of the North Carolina House of Representatives and the President of the Senate's nominee shall be a member of the Senate.

d. The appointed members of the advisory committee shall serve for a term of three years. Appointed members may be reappointed up to a maximum of nine years of service. Vacancies shall be filled in the same manner as original appointments for the balance of the unexpired term."

(b) Of the funds appropriated in Section 2 of this act to the Department of Public Education the sum of three hundred seventy-one thousand nine hundred seventy dollars ($371,970) for the 1987-88 fiscal year and the sum of three hundred seventy one thousand nine hundred seventy dollars ($371,970) for the 1988-89 fiscal year shall be used for salaries, benefits, and related expenses for 10 additional school health coordinators. These funds shall be allocated as provided in G.S. 115C-81(e)(4).

Requested by: Rep. Nesbitt

-----DISTANCE LEARNING PROGRAM FUNDS

Sec. 188. Funds in the amount of one million nine hundred ninety-eight thousand one hundred fifty dollars ($1,998,150) for the 1987-88 fiscal year and one million thirty thousand dollars ($1,030,000) for the 1988-89 fiscal year are appropriated in Section 2 of this act to the Department of Public Education for the Distance Learning Program. Of these funds, the sum of ninety-five thousand one hundred fifty dollars ($95,150) shall be used to provide a telecommunication specialist, a secretary, and staff support in the Department of Public Instruction.

These funds shall be used to establish one satellite earth station at the 54 smallest and most rural schools in the State and to establish no more than one satellite earth station in each county not receiving a station for one or more small, rural schools.

The Department of Public Instruction shall report to the Joint Legislative Commission on Governmental Operations prior to purchasing any satellite earth stations or other equipment on where they intend to place the stations and the anticipated cost per station.

Equipment purchased, modified, or upgraded with funds allocated pursuant to this section may be used only for educational purposes, with the consent of the Superintendent of Public Instruction.

Requested by: Rep. Nesbitt

-----TEXTBOOKS FOR HANDICAPPED CHILDREN

Sec. 189. The State Board of Education shall, pursuant to the authority granted to it in Part 3 of Article 8 of Chapter 115C of the General Statutes, adopt the basic textbooks or series of books needed for instructional purposes for handicapped children at each

instructional level on all subject matter required by law to be taught in elementary and secondary schools. The State Board of Education shall make these books available to the local boards of education for all school years beginning with the 1988-89 school year.

The State Board of Education shall report to the Joint Legislative Commission on Governmental Operations on a monthly basis on its progress in making the books available to the local boards of education.

For the 1987-88 school year only, local boards of education may, if the State Board has not adopted textbooks appropriate for handicapped children in certain instructional levels and on certain subject matters, use State funds for textbooks to purchase textbooks that have not been adopted by the State Board and may use these textbooks in lieu of textbooks adopted by the State Board.

Sec. 190. G.S. 115C-90 reads as rewritten:

"§ *115C-90. Adoption of textbooks and contracts with publishers.*-- The publishers' sealed bids shall be opened in the presence of a person designated by the Controller of the State Board of Education, a person designated by the State Board of Education and the Director of the Division of Textbooks, Support Services Area, Office of the Controller of the State Board of Education. The Board may then adopt the books required by the courses of study and enter into contracts with the publisher of adopted books. It may refuse to adopt any of the books offered at the prices bid and call for new bids. When bids are accepted and a contract entered into, the contract may require, in the Board's discretion, that the total sales of each book in the State of North Carolina be reported annually to the Board.

All textbook contracts shall include a clause granting to the State Board of Education the license to produce Braille, large print, and audio-cassette tape copies of the textbooks for use in the State public schools. Also, the General Assembly urges the State Board of Education to request such a license from textbook publishers with whom a contract was entered into prior to August 1, 1987."

Sec. 191. (a) Of the funds appropriated to the Department of Public Education in Section 2 of this act, the sum of four hundred thousand dollars ($400,000) for the 1987-88 fiscal year and the sum of four hundred thousand dollars ($400,000) for the 1988-89 fiscal year shall be placed in a reserve to (i) provide for the production of Braille, large print, and audio-cassette tape copies of textbooks for exceptional children and (ii) purchase modified textbooks such as Braille, large print, and audio-cassette textbooks for handicapped children whose Individualized Education Programs state that such modified textbooks are necessary to meet their unique learning needs.

Funds for these purposes shall become part of the continuation budget of the Department of Public Education.

Sec. 192. Local school administrative units shall report to the State Board of Education those modified textbooks funded by the State that are not being used by handicapped children. The State Board of Education may recall the modified textbooks when they are no longer used by the handicapped children in any given local school administrative unit, and may make them available for redistribution to other local school administrative units whose handicapped children still require them.

Sec. 193. The Controller of the State Board of Education shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division prior to November 1, 1987, on how many children in the North Carolina public schools do not have appropriate textbooks and why they do not have appropriate textbooks.

Requested by: Rep. Nesbitt, Sen. Ward
-----ACCOUNTING FOR ADM POSITIONS SERVING EXCEPTIONAL CHILDREN

Sec. 194. It is the intent of the General Assembly that funds appropriated in the budget line item, "State aid -- exceptional children," and the allocations of regular positions to local school administrative units for children with special needs shall be used to benefit directly the children with special needs.

For the 1987-88 school year, the State Board of Education shall notify the superintendent of each local school administrative unit of the number of regular positions allotted to the unit based on the number of children with special needs in self-contained classes computed in the average daily membership of the unit. The superintendent shall account for the proper utilization of these positions and shall report to the State Board of Education, which will then report its findings on the utilization of these positions to the Legislative Commission on Children with Special Needs and the Fiscal Research Division by November 1, 1987.

Requested by: Rep. Nesbitt, Sen. Ward
-----PURCHASE OF BUSES IN LIEU OF CONTRACT TRANSPORTATION

Sec. 195. Funds appropriated to the Department of Public Education for the 1987-89 biennium for contract transportation to serve exceptional children who are unable because of their handicap to ride the regular school buses may be used by local boards of education for the purchase of buses and minibuses as well as for the

purposes authorized in this act. These funds shall be expended in accordance with rules adopted by the State Board of Education.

Requested by: Reps. Lineberry, Nesbitt, Sen. Ward
-----COST ALLOCATION/EXCEPTIONAL CHILDREN'S OUT-OF-DISTRICT PLACEMENT

Sec. 196. Chapter 465 of the 1985 Session Laws as amended by Section 76 of Chapter 1014 of the 1985 Session Laws (Regular Session, 1986), Section 3 of Chapter 524 of the 1987 Session Laws and Section 1 of Chapter 703, Session Laws of 1987 is repealed.

Requested by: Sen. Ward, Rep. Nesbitt
-----ALLOCATING AND ACCOUNTING FOR FUNDS FOR EXCEPTIONAL CHILDREN

Sec. 197. The State Board of Education shall develop a plan for allocating and accounting for funds spent for related services for exceptional children. This plan shall include the following:

(1) The number of children served in each school unit and the level of service for each child.

(2) A system of accounting for the expenditure of related services funds that links the services provided to the exceptionality of the child and the cost of providing services.

The State Board of Education shall report periodically to the Joint Legislative Commission on Governmental Operations. The State Board of Education shall report to the General Assembly prior to May 1, 1988, on the plan for related services. This plan shall be reviewed and approved by the General Assembly prior to implementation.

Requested by: Rep. Nesbitt
-----SCHOLARSHIP LOANS FOR PROSPECTIVE TEACHERS

Sec. 198. (a) Section 63(b) of Chapter 1014 of the 1985 Session Laws, as amended by Chapter 524 and Chapter 703 of the 1987 Session Laws, is repealed.

(b) G.S. 115C-468 reads as rewritten:

"§ *115C-468. Establishment of fund.*--(a) There is hereby established a revolving fund which shall be known as the 'Scholarship Loan Fund for Prospective Teachers'.

(b) Criteria for awarding scholarship loans from the fund shall include measures of academic performance including grade point averages, scores on standardized tests, class rank, and recommendations of guidance counselors and principals. To the extent practical, an equal number of scholarships shall be awarded in each of the State's Congressional Districts."

(c) G.S. 115C-471(1) reads as rewritten:

"(1) Any resident of North Carolina who is interested in preparing to teach in the public schools of the State shall be eligible to apply in writing to the State Superintendent of Public Instruction for a regular scholarship loan in the amount of not more than ~~three hundred fifty dollars ($350.00) per academic school year and any such person or any person who is teaching in the public schools of the State and is interested in taking further undergraduate courses shall be eligible to apply for a summer school scholarship loan in the amount of not more than seventy-five dollars ($75.00). Recipients of scholarship loans may attend any North Carolina college or university, public or private, which offers teacher training or work leading to teacher training and which is approved by the State Board of Education; except that scholarship loans may not be used in obtaining credit through correspondence or extension courses.~~ two thousand dollars ($2,000) per academic school year."

(d) G.S. 115C-471(4) reads as rewritten:

"Except under emergency conditions applicable to the State Superintendent of Public Instruction, recipients of scholarship loans shall enter the public school system of North Carolina ~~or shall become regularly employed as teachers in schools operated by the United States government on military reservations in the State of North Carolina~~ at the beginning of the next school term after qualifying for a teacher certificate based upon the bachelors degree or in case of persons already teaching in the public schools ~~or in schools operated by the United States government on military reservations in North Carolina~~ at the beginning of the next school term after the use of such loan. All teaching service for which the recipient of any scholarship loan is obligated shall be rendered within seven years after the completion of the use of each such scholarship loan."

(e) G.S. 115C-471(5) reads as rewritten:

"(5) For each full school year taught in a North Carolina public ~~school or in a school operated by the United States government on a military reservation in the State of North Carolina,~~ school, the recipient of a scholarship loan shall receive credit upon the amount due by reason of such loan equal to all interest accrued upon the loan to that time plus a credit of ~~three hundred fifty dollars ($350.00)~~ two thousand dollars ($2,000) upon the principal amount of such obligation or such lesser amount as may remain due upon said principal; provided, however, that in lieu of teaching in the public ~~school or in any school operated by the United States government on a military reservation in North Carolina,~~ school, a recipient may elect to pay in cash the full amount of scholarship loans received plus interest then due thereon or any part thereof which has not been canceled by the State Board of Education by reason of teaching service rendered."

(f) Of the funds appropriated to the Department of Public Education in Section 2 of this act, the sum of one million six hundred thousand dollars ($1,600,000) for the 1987-88 fiscal year and the sum of one million six hundred thousand dollars ($1,600,000) for the 1988-89 fiscal year shall be used for 200 new scholarships each year and to continue in effect previously awarded scholarship loans.

Requested by: Rep. Nesbitt, Sen. Ward
-----SALARY SUPPLEMENTS NOT ELIGIBLE FOR LEGISLATIVE SALARY INCREASES

Sec. 199. Salary supplements based on advanced educational degrees and vocational teacher salary supplements for work beyond the normal school program shall be considered a flat amount salary add-on and are not eligible for any percentage legislative salary increase granted for teachers and State employees.

Requested by: Reps. Diamont, Nesbitt
-----ATHLETIC TRAINER FUNDS ALLOCATED

Sec. 200. State funds appropriated in Section 2 of this act to the Department of Public Education for teacher athletic trainers shall be allocated to local school administrative units at a rate not to exceed five hundred dollars ($500.00) per teacher athletic trainer.

Requested by: Rep. Nesbitt, Sen. Ward
-----SCIENCE/MATH EXTENDED EMPLOYMENT

Sec. 201. Funds appropriated to the Department of Public Education in Section 2 of this act in fund code 1812-6620 for extended employment of science and mathematics teachers shall be allocated on the basis of months of employment.

Requested by: Rep. Nesbitt, Sen. Ward
-----MATH/SCIENCE SUMMER INSTITUTES

Sec. 202. Funds appropriated to the Department of Public Education in Section 2 of this act in fund code 1460-4949 for mathematics and science summer institutes may be used to train teachers in grades 4 through 9.

Requested by: Rep. Nesbitt, Sen. Ward
-----STAFF DEVELOPMENT

Sec. 203. (a) Funds appropriated in Section 2 of this act to the Department of Public Education for the 1987-88 fiscal year to provide funds to local school administrative units for staff development at the local level shall remain available for expenditure until September 1, 1988.

(b) Funds appropriated in Section 2 of this act to the Department of Public Education for the 1988-89 fiscal year and subsequent fiscal years to provide funds to local school administrative units for staff development at the local level shall become available for expenditure on September 1 of that fiscal year and shall remain available for expenditure until August 31 of the next fiscal year.

Requested by: Reps. Nesbitt, Watkins

-----CHARLOTTE-MECKLENBURG CAREER DEVELOPMENT PROGRAM

Sec. 204. (a) Section 6 of Chapter 394, Session Laws of 1983, as rewritten by Chapter 334, Session Laws of 1985 and as amended by Chapter 524 and Chapter 703 of the 1987 Session Laws, is amended by deleting "August 22, 1987, or upon ratification of the Current Operations Appropriations Act of 1987", each time it appears and substituting "July 1, 1988".

(b) G.S. 115C-363.8 reads as rewritten:

"§ *115C-363.8. Implementation of pilot programs.*--Between July 1, 1985, and July 1, 1986, the 16 local school administrative units shall prepare to implement their local career development plans. All of these local units shall use the State appraisal instrument and the evaluation process adopted by the State Board. In addition to using the State appraisal instrument and the evaluation process adopted by the State Board, they may also develop and implement an alternative evaluation program approved in advance by the State ~~Board. The~~ Board.

The Charlotte-Mecklenburg School Administrative Unit may continue to implement the career development plan that it has already begun and shall receive a pro rata share of funds appropriated for implementation of pilot ~~programs.~~ programs: Provided, however, the State Board shall monitor the Charlotte-Mecklenburg plan and the Charlotte-Mecklenburg School Administrative Unit shall report to the State Board on the implementation of its plan. The State Board may use funds allocated for the Charlotte-Mecklenburg career development plan to cover its expenses in monitoring the plan.

Implementation of the local plans shall begin July 1, 1986."

Requested by: Rep. Watkins, Sen. Ward
-----LEAD TEACHER PILOT PROGRAM

Sec. 205. (a) Chapter 115C of the General Statutes of North Carolina is amended by adding a new Article to read:

"Article 24D.

"Lead Teacher Pilot Program.

"§ *115C-363.28. Lead teacher pilot program.*--(a) A lead teacher pilot program is hereby established, consisting of six schools in the three counties of Haywood, Stanly, and Granville. It is intended that the six schools together shall represent elementary, junior, and senior high school levels.

(b) Each of the three county units shall develop a plan, setting forth the goals to be attained, the strategies for attaining these goals, and the manner in which the pilot program is to be evaluated. This plan, covering the period from July 1, 1987, through June 30, 1989, must be submitted to the State Board of Education and the Joint Legislative Commission on Governmental Operations of the General Assembly prior to implementation on July 1, 1987, and should set forth as clearly as possible those aspects of the plan that will be enhanced and improved because of the flexible funding provided in the program. If the Joint Legislative Commission on Governmental Operations is not scheduled to meet, the plan shall be submitted to the Education Subcommittee of the Commission. Amendments to the original plan may be submitted as the project counties deem desirable and may be implemented in the absence of objections by the State Board of Education.

(c) The faculties and administrators in the pilot schools should be involved in the selection process of the lead teachers. They should also be involved in developing job descriptions and job functions for the lead teachers. Job descriptions and job functions should focus heavily on the unique duties of lead teachers. Lead teacher positions are limited to a two-year time frame and are to be rotated as projects are funded beyond the initial two-year period.

(d) In the three project units, broad decision making latitude shall be granted to the local boards of education. It is expected that lead teachers and faculties will be allowed broad discretion to experiment with the instructional activities that appear to meet instructional needs in that particular setting. It is the specific intent of the General Assembly that this flexibility shall not be inhibited by statute or regulation (i) so long as the plans and activities are carried out within total funds available for that purpose, or (ii) so long as the State Board of Education does not find as a fact that the discretionary authority contained in this act is being abused, and so long as any changes in

the plan and any potential inconsistencies with statute or regulation are reported to the Joint Legislative Commission on Governmental Operations or its Education Subcommittee."

(b) Of the funds appropriated in Section 2 of this act to the Department of Public Education, the sum of four hundred fifty thousand dollars ($450,000) for the 1987-88 fiscal year and the sum of four hundred fifty thousand dollars ($450,000) for the 1988-89 fiscal year shall be used to implement the lead teacher pilot program and to provide funds for a salary differential for lead teachers, funds for half-time replacements for lead teachers, and funds for training and program development and related costs.

Requested by: Rep. Nesbitt

-----OUTSIDE EVALUATOR PROGRAM, CAREER DEVELOPMENT, AND LEAD TEACHER PROGRAMS EVALUATED

Sec. 206. (a) The Joint Legislative Commission on Governmental Operations shall evaluate the certified school personnel evaluation pilot program developed by the State Board of Education pursuant to G.S. 115C-362 in light of the following major research questions:

(1) Does this type of personnel evaluation program produce improved performance of certified school personnel?

(2) Are outside evaluators more objective in their ratings of certified school personnel than locally employed evaluators?

In answering these research questions, the Joint Legislative Commission on Governmental Operations shall collect the following data:

(1) Teachers' and principals' ratings over time on the Performance Appraisal instruments; and

(2) Inter-rater reliability among outside evaluators and among locally employed evaluators.

(b) The Joint Legislative Commission on Governmental Operations shall conduct an evaluation of the School Career Development Pilot Program in the 15 pilot units and the Charlotte-Mecklenburg school system. The evaluation shall be designed to study the impact of the School Career Development Program on improved teacher performance, employee retention and recruitment, employee satisfaction, overall school improvement, enhanced learning environment, students' attitudes towards school, and community support of the program. The results of the study shall be used to help make decisions with regard to statewide implementation of the Career Development Program.

(c) The Joint Legislative Commission on Governmental

Operations shall conduct an evaluation of the Lead Teacher Program. The evaluation shall be designed to study the impact of the Lead Teacher Program on school structure and school management. The results of the study shall be used to help make decisions with regard to Statewide implementation of the Lead Teacher Program.

(d) The Joint Legislative Commission on Governmental Operations may hire a consultant to assist it with these studies in accordance with G.S. 120-79.

Requested by: Reps. Watkins, Bob Etheridge, Nesbitt
Sens. Plyler, Rand, Royall, Ward

-----TEACHER EFFECTIVENESS TRAINING

Sec. 207. Funds in the amount of nine million sixty-eight thousand dollars ($9,068,000) are appropriated in Section 2 of this act to the Department of Public Education to provide a stipend of two hundred fifty dollars ($250.00) to each certified public school employee who:

(1) (i) while employed by a North Carolina public school, successfully completed the effective teacher training program, (ii) has not yet received a stipend, and (iii) will be teaching in or on leave from the North Carolina public schools during the 1987-88 school year; or

(2) (i) was employed in the North Carolina public schools full time as a State-paid teacher during the 1986-87 school year and (ii) successfully completes the effective teacher training program prior to June 1, 1988.

Notwithstanding any other provision of law, this stipend shall be considered a general expense item and not subject to social security or state retirement.

Sec. 208. (a) G.S. 115C-363.7 reads as rewritten:

"§ *115C-363.7. Effective teacher training.*--Each employee who elects to participate in the Plan shall participate in an effective teacher training program designed by the State Board. ~~If an employee successfully completes the program, the employee shall receive a one-time stipend of five hundred dollars ($500.00). An employee who does not successfully complete the program may not receive any part of the stipend.~~"

(b) This section is effective upon ratification.

Requested by: Rep. Nesbitt

-----USE OF FUNDS FOR TEACHERS

Sec. 209. (a) Funds are appropriated to the Department of Public Education in Section 2 of this act for additional teacher positions to be used to expand curricular offerings in accordance with

the Basic Education Program. Local boards of education shall use positions allocated to them with these funds to expand curricular offerings to those contained in the Basic Education Program at any grade level and in any of the identified curricular offerings based on the identification of local needs, priorities, and local schedules for implementing the Basic Education Program.

(b) When a school has too few students to provide a teacher to offer a class in a curricular offering in accordance with the Basic Education Program, the local board of education may, with the approval of the State Board of Education, use the funds allocated to it for expanded curricular offerings to otherwise provide the curricular offering at that school, as called for in the Basic Education Program. The State Board of Education shall monitor and report concerning the alternative use of these funds by February 1 to the President of the Senate, the Speaker of the House of Representatives and the Fiscal Research Division.

This subsection applies only to the 1987-88 fiscal year.

PART XXIV.-----DEPARTMENT OF COMMUNITY COLLEGES

Requested by: Rep. Nesbitt, Sen. Ward

-----FORMULA FOR DISTRIBUTION OF FUNDS

Sec. 210. The institutions of the Community College system may spend funds allocated for salaries and fringe benefits only for salaries and fringe benefits and may spend funds allocated for other nonsalary cost items only for other nonsalary cost items.

The State Board of Community Colleges may approve, under emergency circumstances on a case-by-case basis, a transfer of funds between salary and fringe benefits and other nonsalary cost items. The State Board of Community Colleges shall report to the Joint Legislative Commission on Governmental Operations, the Chairmen of the Appropriations Base and Expansion Budget Committees of the Senate and the House of Representatives, and the Fiscal Research Division, on the justification for the transfer, prior to approving a transfer.

Requested by: Rep. Nesbitt, Sen. Ward

-----FULL-TIME EQUIVALENT TEACHING POSITIONS/COMMUNITY COLLEGES

Sec. 211. For the purpose of determining the Community College system-wide number of full-time equivalent (FTE) teaching positions each year, the total curriculum full-time equivalent student enrollment shall be divided by 21.35 and total extension full-time equivalent student enrollment shall be divided by 22.

Requested by: Rep. Nesbitt, Sen. Ward
-----OPERATING APPROPRIATIONS/NOT USED FOR RECREATION EXTENSION

Sec. 212. Funds appropriated in Section 2 of this act to the Department of Community Colleges as operating expenses for allocation to the institutions comprising the Community College System may not be used to support recreation extension courses. The financing of these courses by any institution shall be on a self-supporting basis, and membership hours produced from these activities may not be counted when computing full-time equivalent students for use in budget-funding formulas at the State level.

Requested by: Rep. Nesbitt, Sen. Ward
-----BOOKS AND EQUIPMENT APPROPRIATIONS/REVERT AFTER ONE YEAR

Sec. 213. Appropriations to the Department of Community Colleges for equipment and library books are made for each year of the fiscal biennium. All unencumbered appropriations shall revert to the General Fund 12 months after the close of each fiscal year for which they were appropriated. Encumbered balances outstanding at the end of each period shall be handled in accordance with existing State budget policies.

Requested by: Rep. Nesbitt, Sen. Ward
-----RESERVE FUND FOR STATE BOARD OF COMMUNITY COLLEGES

Sec. 214. Of the funds appropriated in Section 2 of this act to the Department of Community Colleges, the sum of one million five hundred thousand dollars ($1,500,000) may be used by the State Board of Community Colleges for increased enrollments, feasibility studies, new ideas, innovative programs, and allocations to Pamlico Technical College due to its size. The Department of Community Colleges shall report on allocations of these funds to Pamlico Technical College, within 30 days after the convening of the 1988 General Assembly, to the Chairmen of the Senate Committee on Appropriations, the Senate Committee on Base Budget, the House Committee on Appropriations Base Budget, and the House Committee on Appropriations Expansion Budget, and to the Fiscal Research Division.

Requested by: Rep. Nesbitt, Sen. Ward
-----COMMUNITY COLLEGES FORMULA UPDATE

Sec. 215. Funds appropriated to the Department of Community Colleges in Section 2 of this act for purposes of formula

allocations to the institutions shall be allocated in accordance with the formula approved as a proposed administrative rule by the State Board of Community Colleges at its April 9, 1987, board meeting.

It is the intent of the General Assembly that the State Board of Community Colleges ensure that proper educational programs in the avocational and practical skills classes remain available to senior citizens, without charge.

Requested by: Rep. Nesbitt, Sen. Ward

-----COMMUNITY COLLEGE TRUSTEES TRAINING COURSE

Sec. 216. The General Assembly urges the North Carolina Association of Community College Trustees to continue providing and to expand its training course for community college trustees and to offer the course on a regional basis. The General Assembly also urges all community college trustees, especially those serving their first term, to complete the course.

The General Assembly requests the North Carolina Association of Community College Trustees to submit an annual report to the State Board of Community Colleges and to the 1987 Session of the General Assembly, 1988 Regular Session, on the training programs provided and the number of trustees participating.

Requested by: Rep. Nesbitt, Sen. Ward

-----LITERACY EDUCATION

Sec. 217. Literacy education funds, as defined by the State Board of Community Colleges, shall not be expended for any other purpose.

The Department of Community Colleges shall establish measurements of progress for the literacy program and provide technical assistance to institutions for implementation of these measurements. Each institution shall develop and submit a plan to the Department of Community Colleges for approval to show how it will increase and retain a significant percentage of its targeted population in the literacy program. Each plan shall address recruitment, assessment, retention, and evaluation of student progress. An assessment and retention specialist may be funded from direct instructional funds to assure implementation of this plan.

The State Board of Community Colleges is authorized to reallocate literacy education funds among institutions when an institution determines that it will not be able to utilize its full allocation.

Literacy education programs shall be provided in proper, on-campus and off-campus educational settings, as defined by the State Board of Community Colleges, in order to ensure accessibility to those in need of these programs.

The State Board of Community Colleges shall report by May 1, 1988, to the 1987 Session of the General Assembly, 1988 Regular Session, on the progress made by each institution of the Community College system toward achieving significant enrollment increases and retention of students throughout the literacy education programs. The General Assembly encourages the Community College system at least to double the number of illiterate adults being served in literacy education programs.

Requested by: Rep. Nesbitt, Sen. Ward
-----CLASS REPORTING DATE FOR EXTENSION FTE

Sec. 218. Enrollments in literacy education, occupational, avocational, practical skills, and academic extension courses within the Community College system shall be calculated for budget full-time equivalent student purposes when one half of the course has been completed. Only those students in attendance for at least one-half of the classes prior to the date of calculation shall be included in the calculation.

Requested by: Rep. Nesbitt, Sen. Ward
-----GED FEES

Sec. 219. The State Board of Community Colleges is authorized to increase fees charged for the General Education Development test (GED) by two dollars and fifty cents ($2.50) to offset the cost for scoring the written essay part of the GED test required in 1988. These fees shall be used by the Department of Community Colleges to contract for this scoring.

Requested by: Rep. Nesbitt, Sen. Ward
-----LIMITATION OF FORMULA TRANSFERS

Sec. 220. It is the intent of the General Assembly that any transfers among line items in the budget allocation formula be minimized.

The State Board of Community Colleges may approve transfers from direct instructional funds to administrative and instructional support funds for an institution only if, on a statewide basis, no more than five percent (5%) of the direct instructional funds are transferred to administrative and instructional support funds; provided, however, no transfers may be approved from literacy education funds. Any transfers approved by the Board shall be reported to the Joint Legislative Commission on Governmental Operations, the Chairmen of the House and Senate Appropriations Base and Expansion Committees, and the Fiscal Research Division within 30 days.

Requested by: Rep. Nesbitt, Sen. Ward
-----CLASS SIZE STANDARDS

Sec. 221. Prior to February 1, 1988, the State Board of Community Colleges shall adopt standards setting minimum class sizes for curriculum and extension classes and limiting excessive repetition of classes by individuals. If the State Board is unable to adopt the standards prior to February 1, 1988, it shall report to the Chairmen of the Appropriations-Base Budget, Appropriations Expansion Budget, Appropriations Base Budget on Education, and Appropriations Expansion Budget on Education Committees of the House of Representatives, the Chairmen of the Base Budget, Appropriations, and Appropriations on Education Committees of the Senate, and the Fiscal Research Division, on when it will be able to set standards.

In addition, the State Board of Community Colleges shall determine the proper educational role for rest and nursing homes by institutions of the Community College system.

The State Board may not take any actions pursuant to this section that will require the appropriation of additional funds by the General Assembly.

The State Board shall report to the Chairmen of the Appropriations-Base Budget, Appropriations Expansion Budget, Appropriations Base Budget on Education, and Appropriations Expansion Budget on Education Committees of the House of Representatives, the Chairmen of the Base Budget, Appropriations, and Appropriations on Education Committees of the Senate, and the Fiscal Research Division by May 1, 1988, on actions taken pursuant to this section.

Requested by: Sen. Ward
-----EQUIPMENT FUNDS

Sec. 222. Of the funds appropriated in Section 2 of this act to the Department of Community Colleges for the 1987-88 fiscal year for equipment, the sum of two million five hundred thousand dollars ($2,500,000) shall be allocated to Central Piedmont Community College for equipment for its new industry program. Central Piedmont Community College may use the two million five hundred thousand dollars ($2,500,000) allocated to it under this section only for optical disk manufacturing training equipment.

Requested by: Rep. Watkins
-----EMPLOYEE ASSOC. FEES PAYROLL DEDUCTIBLE

Sec. 223. G.S. 143-3.3(a) reads as rewritten:

"(a) All transfers and assignments made of any claim upon the State of North Carolina or any of its departments, bureaus or commissions or upon any State institution or of any part or share thereof or interest therein, whether absolute or conditional and whatever may be the consideration therefor and all powers of attorney, orders or other authorities for receiving payment of any such claim or any part or share thereof shall be absolutely null and void unless such claim has been duly audited and allowed and the amount due thereon fixed and a warrant for the payment thereof has been issued; and no warrant shall be issued to any assignee of any claim or any part or share thereof or interest therein: Provided that this section shall not apply to assignments made in favor of hospitals, building and loan associations, prepaid legal services, uniform rental firms to allow employees of the Department of Transportation to rent day-glo orange shirts or vests as required by federal and State law, and medical, hospital, disability and life insurance companies: Provided further, that any employee of the State or of any of its institutions, departments, bureaus, agencies or commissions, who is a member of any credit union organized pursuant to Chapter 54 of the North Carolina General Statutes having a membership at least one half of whom are employed by the State or its institutions, departments, bureaus, agencies or commissions, may authorize, in writing, the periodic deduction from his salary of wages as such employee of a designated lump sum, which shall be paid to such credit unions when said salaries or wages are payable, for deposit to such accounts, purchase of such shares or payment of such obligations as the employee and the credit union may agree: Provided further, that any employee of the State or of any of its institutions, departments, bureaus, agencies or commissions, or any of its community colleges, who is a member of a domiciled State employees' association with a membership of not less than 5,000 members, the majority of whom are State employees, may authorize in writing the periodic deduction from his salary or wages a designated sum to be paid to the employees' association. This plan of payroll deductions for State employees and other association members shall become null and void at such time as the employee association engages in collective bargaining. ~~Nothing~~ Except as otherwise provided, nothing in this last proviso shall apply to local boards of education, county or municipal governments or any local governmental units. Provided further, that subject to the rules and regulations adopted by the State Controller, any employee of the State or of any of its institutions, departments, bureaus, agencies or commissions may authorize in writing the withholding from his salary or wages an amount to satisfy his pledge to the State Employees Combined Campaign. Provided further, that

subject to any rules and regulations adopted by the State Controller, any employee of a local board of education or community college may authorize in writing the withholding from his salary or wages a periodic deduction of a designated sum to be paid to any organization which qualifies for recognition of exemption by the Internal Revenue Service as a charitable organization as defined in Section 501(c)(3) of the Internal Revenue Code which has first been approved by his local board of education or community college board."

PART XXV.-----UNIVERSITY OF NORTH CAROLINA

Requested by: Sen. Ward, Rep. Ed Warren
-----MAINTENANCE CONTRACTS FOR EQUIPMENT/STUDY

Sec. 224. The Department of Administration, Office of Administrative Analysis, shall conduct a statewide study of maintenance contracts for equipment owned or leased by the State. The study shall examine whether the State could save money or operate more efficiently in the award of maintenance contracts. The study shall include:

(1) A comparison of contract with in-house maintenance;

(2) Potential savings from consolidation of contract awards across agencies and regions;

(3) Cost-effectiveness of contract maintenance on equipment that is rapidly outmoded;

(4) Potential for equipment transfer among departments as it becomes outmoded for one purpose but is useful to another agency for another purpose or for spare parts; and

(5) The concept of self-insurance on equipment repair and parts.

All State departments, agencies, boards and commissions that use equipment owned or leased by the State shall provide the Department of Administration, Office of Administrative Analysis, all information and other assistance it requests for the study.

The Department of Administration, Office of Administrative Analysis, shall make an interim report by January 1, 1988, and a final report by May 1, 1988, to the Legislative Research Commission and to the Joint Legislative Commission on Governmental Operations.

Requested by: Reps. Barnes, Hackney, Nesbitt
-----UNC-CH CLERICAL POSITIONS WITHIN GRADE ADJUSTMENTS

Sec. 225. (a) Notwithstanding any other provision of law or of this act, the University of North Carolina at Chapel Hill is authorized to use any funds appropriated to it to grant within grade adjustments to clerical and clerical-related positions as a result of the

December 1986 decision of the State Personnel Commission to authorize new hires to begin at Step 2.

(b) The State Personnel Commission may not authorize within grade adjustments for any position on account of allowing new hires to start at above Step 1, unless funds are available to pay the higher pay rate.

(c) This section is effective upon ratification.

Requested by: Sen. Plyler
-----NCSU FORESTRY BIOTECH FUNDS

Sec. 226. Of the funds appropriated in Section 2 of this act from the General Fund to the Board of Governors of The University of North Carolina for expansion of agricultural programs, the sum of one hundred sixty thousand dollars ($160,000) for the 1987-88 fiscal year and the sum of one hundred sixty thousand dollars ($160,000) for the 1988-89 fiscal year shall be used for forestry biotechnology research at North Carolina State University.

Requested by: Sen. Basnight, Rep. Nesbitt
-----AQUACULTURE PROGRAM FUNDS

Sec. 227. Of the funds appropriated in Section 2 of this act from the General Fund to the Board of Governors of The University of North Carolina for the expansion of agricultural programs, the sum of four hundred thousand dollars ($400,000) for the 1987-88 fiscal year and the sum of four hundred thousand dollars ($400,000) for the 1988-89 fiscal year shall be used for research and development of aquaculture programs throughout the State.

Requested by: Rep. Hackney
-----NCSU SEWAGE STUDY FUNDS

Sec. 228. Of the funds appropriated to the Board of Governors of The University of North Carolina in Section 2 of this act, the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year shall be used by North Carolina State University for the study of alternative disposal systems for residential sewage in those parts of North Carolina where soil absorption qualities are poor.

Requested by: Rep. Nye
-----PARENT-TO-PARENT FUNDS

Sec. 229. Of the funds appropriated to the Board of Governors of The University of North Carolina in Section 2 of this act, the sum of seventy-five thousand dollars ($75,000) for the 1987-88 fiscal year and the sum of seventy-five thousand dollars ($75,000) for the 1988-89 fiscal year shall be used by The University of North Carolina at

Chapel Hill School of Medicine, Division of Community Pediatrics, for parent-to-parent programs that provide experienced parents of premature infants, children with chronic illness, or children with developmental disabilities, as resources of information, coping skills, and emotional support for other parents who are newly identified or are experiencing transition crises.

Requested by: Rep. Bob Etheridge
-----ECONOMIC DEVELOPMENT/NCSU AND NCCU

Sec. 230. (a) Of the funds appropriated in Section 2 of this act from the General Fund to the Board of Governors of The University of North Carolina for the expansion of agricultural programs, the sum of one hundred twenty-five thousand dollars ($125,000) for the 1987-88 fiscal year and the sum of one hundred twenty-five thousand dollars ($125,000) for the 1988-89 fiscal year shall be used for the economic development research projects at North Carolina State University and North Carolina Central University.

(b) The balance of funds appropriated to The University of North Carolina for the expansion of agricultural programs not allocated otherwise by this act shall be available for other agricultural programs as identified in the priorities requested for Agricultural Programs by the Board of Governors.

Requested by: Rep. Ed Warren
-----ECU MED SCHOOL/MEDICARE-MEDICAID REIMBURSEMENT

Sec. 231. (a) Section 116 of Chapter 761 of the 1983 Session Laws reads as rewritten:

"Sec. 116. The Medicare-Medicaid receipts being held in trust by Pitt County Memorial Hospital for the East Carolina University School of Medicine pending resolution of litigation between Pitt County Memorial Hospital and the Federal Medicare-Medicaid Program for the fiscal years October 1, 1978 - September 30, 1982, and each succeeding year thereafter, shall be distributed as follows: that portion of the Medicare-Medicaid reimbursement which can be identified as having been generated through the effort and expense of the School's Medical Faculty Practice Plan shall be transferred to the appropriate Medical Faculty Practice Plan account within the School; and the remainder shall be ~~divided equally between the General Fund and~~ transferred to the operating budget account of the School of Medicine. The funds deposited in the School's account shall be expended for nonrecurring items of equipment and facilities which are

required to maintain the School's teaching facilities within Pitt County Memorial Hospital and the Brody Medical Sciences Building.

(b) This section shall remain effective until June 30, 1988.

Requested by: Rep. Nesbitt, Sen. Ward

-----RESIDENTIAL SUMMER SCHOOL PROGRAM FUNDS

Sec. 232. Funds are appropriated in Section 2 of this act to the Board of Governors of The University of North Carolina for a residential summer school program operated by the Office of Rural Education, Western Carolina University, and the Rural Education Institute, East Carolina University. The program shall serve students who do not qualify for participation in programs designed to serve the gifted, but who demonstrate that with extra motivation and opportunity they could become student leaders and that they should be given opportunities to develop their communications, problem-solving, and thinking skills.

The Office of Rural Education, Western Carolina University, and the Rural Education Institute, East Carolina University, shall each operate a three-week residential summer session for 150 students entering the eighth and ninth grades and a three-week residential summer session for 150 students entering the tenth, eleventh, and twelfth grades. All expenses except for transportation to and from the program sites, personal laundry, and spending money shall be covered by the program. A student may attend only one session during his school career.

The program shall place emphasis on serving students who attend schools in rural and isolated areas because these students often do not have opportunities that are provided to students attending schools in urban areas; therefore, the ratio of rural to urban students participating in the program shall be three to one.

Criteria for selection shall be developed with the advice of teachers, principals, and guidance counselors. Educators representing both secondary and post-secondary education shall participate in program development. Emphasis shall be placed on reading, writing, and arithmetic. The program shall include communication skills involving reading, writing, speaking, listening, and viewing, with an emphasis on the application of these skills in thinking, reasoning, and problem- solving.

Requested by: Rep. Nesbitt, Sen. Ward

-----UNC VENDING REPORTS

Sec. 233. (a) G.S. 143-12.1(h) reads as rewritten:

"(h) The provisions of subsections (c) through (f1) of this section shall not supersede or apply to operations under the provisions of Article 3 of Chapter 111 of the General Statutes, G.S. 127A-138(b), or G.S. 116-36.1 through ~~G.S. 116-36.3~~ G.S. 116-36.2, or to the operation of any vending facility by a community college, technical institute, technical college, or local school administrative unit, but they shall apply to the operations of North Carolina Memorial Hospital."

(b) G.S. 116-36.4 reads as rewritten:

"§ *116-36.4. Vending Facilities.*--The Board of Governors shall, not later than October 1 of each year, make an itemized annual report in a format to be determined by the Office of State Budget and Management to the Joint Legislative Commission on Governmental Operations concerning the ~~receipts, expenditures, and~~ use of net proceeds from operations of vending facilities for the previous fiscal year under G.S. 116-36.1 ~~through G.S. 116-36.3. A similar quarterly report shall be made within 60 days after the end of each quarter~~. Net proceeds may be used only as authorized by the Board of Governors, but this section does not authorize expenditures for purposes not otherwise authorized by law. The report shall be broken down by campus and by authorized purpose."

(c) The annual report submitted by the Board by October 1, 1987, shall be prepared in accordance with the statutory requirements as they existed as of June 30, 1987; subsequent annual reports shall be prepared in accordance with statutory requirements made effective after June 30, 1987.

PART XXVI.-----MISCELLANEOUS PROVISIONS

Requested by: Sen. Royall, Rep. Watkins

-----EFFECT OF HEADINGS

Sec. 234. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Sen. Royall, Rep. Watkins

-----EXECUTIVE BUDGET ACT REFERENCE

Sec. 235. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Requested by: Sen. Royall, Rep. Watkins
-----EFFECT OF MOST LIMITATIONS AND DIRECTIONS IN TEXT/ONLY-1987-89

Sec. 236. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1987-89 biennium, the textual provisions of this act shall apply only to funds appropriated for and activities occurring during the 1987-89 biennium.

Requested by: Sen. Royall, Rep. Watkins
-----SEVERABILITY CLAUSE

Sec. 237. If any section or provision of this act is declared unconstitutional or invalid by the courts, or is unenforceable under Section 5 of the Voting Rights Act of 1965, it does not affect the validity of the act as a whole or any part other than the part so declared to be unconstitutional or invalid or which is so unenforceable.

Requested by: Sen. Royall, Rep. Watkins
-----EFFECTIVE DATE

Sec. 238. Except as otherwise provided, this act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 409 **CHAPTER 739**

AN ACT TO PROHIBIT RETROACTIVE MODIFICATION OF PAST DUE CHILD SUPPORT PAYMENTS AND TO GIVE VESTED PAST DUE CHILD SUPPORT THE JUDGMENT EFFECT REQUIRED BY FEDERAL LAW, CONSISTENT WITH DUE PROCESS OF LAW AND WITH EXISTING REQUIREMENTS FOR THE DOCKETING OF SUCH JUDGMENTS AND TO CLARIFY WHEN A DOMESTIC VIOLENCE ARREST MAY BE MADE WITHOUT A WARRANT.

The General Assembly of North Carolina enacts:

Section 1. The third sentence of G.S. 49-7 is amended by deleting the period and adding the phrase "subject to the limitations of G.S. 50-13.10."

Sec. 2. G.S. 49-8 is amended in the first sentence by deleting the period and adding the phrase "subject to the limitations of G.S. 50-13.10."

Sec. 3. G.S. 50-13.7 reads as rewritten:

"§ *50-13.7. Modification of order for child support or custody.*--(a) An order of a court of this State for support of a minor child may be modified or vacated at any time, upon motion in the cause and a showing of changed circumstances by either party or anyone ~~interested.~~ interested subject to the limitations of G.S. 50-13.10. Subject to the provisions of G.S. 50A-3, an order of a court of this State for custody of a minor child may be modified or vacated at any time, upon motion in the cause and a showing of changed circumstances by either party or anyone interested.

(b) When an order for support of a minor child has been entered by a court of another state, a court of this State may, upon gaining jurisdiction, and upon a showing of changed circumstances, enter a new order for support which modifies or supersedes such order for ~~support.~~ support, subject to the limitations of G.S. 50-13.10. Subject to the provisions of G.S. 50A-3, when an order for custody of a minor child has been entered by a court of another state, a court of this State may, upon gaining jurisdiction, and a showing of changed circumstances, enter a new order for custody which modifies or supersedes such order for custody."

Sec. 4. Chapter 50 of the General Statutes of North Carolina is amended by adding a new section to read:

"§ *50-13.10. Past due child support vested; not subject to retroactive modification; entitled to full faith and credit.*--(a) Each past due child support payment is vested when it accrues and may not thereafter be vacated, reduced, or otherwise modified in any way for any reason, in this State or any other state, except that a child support obligation may be modified as otherwise provided by law, and a vested past due payment is to that extent subject to divestment, if, but only if, a written motion is filed, and due notice is given to all parties either:

(1) before the payment is due or

(2) if the moving party is precluded by physical disability, mental incapacity, indigency, misrepresentation of another party, or other compelling reason from filing a motion before the payment is due, then promptly after the moving party is no longer so precluded.

(b) A past due child support payment which is vested pursuant to G.S. 50-13.10(a) is entitled, as a judgment, to full faith and credit in this State and any other state, with the full force, effect, and attributes of a judgment of this State, except that no arrearage shall be entered on the judgment docket of the clerk of superior court or become a lien on real estate, nor shall execution issue thereon, except as provided in G.S. 50-13.4(f)(8) and (10).

(c) As used in this section, 'child support payment' includes all payments required by court or administrative order in civil actions and expedited process proceedings under this Chapter, by court order in proceedings under Chapter 49 of the General Statutes, and by agreements entered into and approved by the court under G.S. 110-132 or G.S. 110-133.

(d) For purposes of this section, a child support payment or the relevant portion thereof, is not past due, and no arrearage accrues:

(1) from and after the date of the death of the minor child for whose support the payment, or relevant portion, is made;

(2) from and after the date of the death of the supporting party;

(3) during any period when the child is living with the supporting party pursuant to a valid court order or to an express or implied written or oral agreement transferring primary custody to the supporting party;

(4) during any period when the supporting party is incarcerated, is not on work release, and has no resources with which to make the payment.

(e) When a child support payment which is to be made to a clerk of superior court is not received by the clerk when due, the payment is not a past due child support payment for purposes of this section, and no arrearage accrues, if the payment is actually made to and received on time by the party entitled to receive it and such receipt is evidenced by a canceled check, money order, or contemporaneously executed and dated written receipt. Nothing in this section shall affect the duties of the clerks under this Chapter or Chapter 110 of the General Statutes with respect to payments not received by them on time, but the court, in any action to enforce such a payment, may enter an order directing the clerk to enter the payment on his records as having been made on time, if the court finds that the payment was in fact received by the party entitled to receive it as provided in this subsection."

Sec. 5. G.S. 52A-21 reads as rewritten:

"§ *52A-21. Application of payments.*--A support order made by a court of this State pursuant to this Chapter does not nullify and is not nullified by a support order made by a court of this State pursuant to any other law or by a support order made by a court of any other state pursuant to a substantially similar act or any other law regardless of priority of issuance, unless otherwise specifically provided by the court in accordance with G.S. 50-13.7 and G.S. 50-13.10. Amounts paid for a particular period pursuant to any support order made by the court of another state shall be credited against the amounts accruing

or accrued for the same period under any support order made by the court of this State."

Sec. 6. G.S. 50B-4(b) reads as rewritten:

"(b) A law-enforcement officer shall arrest and take a person into custody without a warrant or other process if the officer has probable cause to believe that the person has violated a court order excluding the person from the residence or household occupied by a victim of domestic violence or directing the person to refrain from harassing or interfering with the victim, and if the victim, or someone acting on the victim's behalf, presents the law-enforcement officer with a copy of the order or the officer determines that such an order exists, and can ascertain the contents thereof, through phone, radio or other communication with appropriate authorities. The person arrested shall be brought before the appropriate district court judge at the earliest time possible to show cause why he or she should not be held in civil and/or criminal contempt for violation of the order. The person arrested shall be entitled to be released under the provisions of Article 26, Bail, of Chapter 15A of the General Statutes."

Sec. 7. If any provision of this act or its application to any person or circumstances is held invalid by any court of competent jurisdiction, the invalidity will not affect other provisions or applications that can be given effect without the invalid provision or application; and to this end the provisions of this act are severable.

Sec. 8. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 423 **CHAPTER 740**

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE TOWN OF ELKIN.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of Elkin is hereby revised and consolidated to read as follows:

"THE CHARTER OF THE TOWN OF ELKIN

"ARTICLE I. INCORPORATION, CORPORATE POWERS AND BOUNDARIES

"Section 1.1. Incorporation. The Town of Elkin, North Carolina, and the inhabitants thereof, is a municipal body politic and corporate, under the name of the 'Town of Elkin,' hereinafter at times referred to as the 'Town.'

"Section 1.2. Powers. The Town has and may excercise all of the powers, duties, rights, privileges and immunities conferred upon the Town of Elkin specifically by this Charter or upon municipal corporations by general law. The term 'general law' is employed herein as defined in G.S. 160A-1.

"Section 1.3. Corporate Limits. The corporate limits are those existing at the time of ratification of this Charter, as set forth on the official map of the Town, and as they may be altered from time to time in accordance with law. An official map of the Town, showing the current boundaries, shall be maintained permanently in the office of the Town Clerk and shall be available for public inspection. Immediately upon alteration of the corporate limits made pursuant to law, the appropriate changes to the official map shall be made, and copies shall be filed in the office of the Secretary of State, either the Surry or Wilkes County Register of Deeds, and the appropriate boards of elections.

"ARTICLE II. GOVERNING BODY

"Section 2.1. Mayor and Board of Commissioners. The Mayor and Board of Commissioners, hereinafter referred to as the 'Board,' shall be the governing body of the Town.

"Section 2.2. Board; Composition; Terms of Office. The Board is composed of five Commissioners elected by all the qualified voters of the Town for staggered terms of four years.

"Section 2.3. Mayor; Term of Office; Duties. The Mayor is elected by all the qualified voters of the Town for a term of four years; is the official head of the Town government and presides at meetings of the Board; has the right to vote only when there is an equal division on any question or matter before the Board; and exercises the powers and duties conferred by law or as directed by the Board.

"Section 2.4. Mayor Pro Tempore. The Board elects one of its members as Mayor Pro Tempore to perform the duties of the Mayor during his or her absence or disability, in accordance with general law. The Mayor Pro Tempore serves in such capacity until the organizational meeting following the next regular municipal election, despite the contrary provisions of G.S. 160A-70.

"Section 2.5. Meetings. The Board sets a suitable time and place for its regular meetings. Special and emergency meetings may be held as provided by general law.

"Section 2.6. Voting Requirements; Quorum. Official actions of the Board and all votes are taken in accordance with applicable provisions of general law, particularly G.S. 160A-75. The quorum provisions of G.S. 160A-74 apply.

"Section 2.7. Compensation; Qualifications for Office; Vacancies. The compensation and qualifications of the Mayor and Commissioners are in accordance with general law. Vacancies that occur in any elective office of the Town are filled by appointment of the Board as provided in G.S. 160A-63.

"ARTICLE III. ELECTIONS

"Section 3.1. Regular Municipal Elections. Regular municipal elections are held in each odd-numbered year in accordance with the uniform municipal elections laws of North Carolina. Elections are conducted on a nonpartisan basis and the results determined using the plurality method as provided in G.S. 163-292.

"Section 3.2. Election of Commissioners. Two or three Commissioners are elected in each regular municipal election, as the respective terms expire.

"Section 3.3. Election of the Mayor. A Mayor is elected in the regular municipal election each four years.

"Section 3.4. Special Elections and Referendums. Special elections and referendums may be held only as provided by general law or applicable local acts of the General Assembly.

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION

"Section 4.1. Form of Government. The Town operates under the council-manager form of government, in accordance with G.S. Chapter 160A, Article 7, Part 2.

"Section 4.2. Town Manager. The Board appoints a Town Manager who is responsible for the administration of all departments of the Town government. The Town Manager has all the powers and duties conferred by general law, except as expressly limited by the provisions of this Charter.

"Section 4.3. Town Clerk. The Board appoints a Town Clerk to keep a journal of the proceedings of the Board; to maintain official records and documents; to give notice of meetings; and to perform such other duties required by law or as the Board may direct.

"Section 4.4. Tax Collector. The Board appoints a Tax Collector to collect all taxes owed to the Town, subject to general law, this Charter and Town ordinances.

"Section 4.5. Town Attorney. The Board appoints a Town Attorney licensed to practice law in North Carolina. The Town Attorney represents the Town, advises Town officials and performs other duties required by law or as the Board may direct.

"Section 4.6. Other Administrative Officers and Employees. The Board may provide for appointment of other officers and employees by the Town Manager, and may organize the Town government as deemed appropriate, including combining any of the offices provided for in this Article, subject to the requirements of general law.

"ARTICLE V. SPECIAL PROVISIONS

"Section 5.1. Acceptance of Conveyance of Real Property for Liens. Despite G.S. 105-357(a) and other provisions of law, the Board, by resolution, may accept conveyance of real property on which the Town has a lien, in full or partial satisfaction of the tax, special assessment, or other charge or liability underlying the lien, including the expense of transferring title to the Town. The resolution shall order the lien cancelled of record, or reduced to the extent the liability underlying the lien is satisfied. Acceptance of conveyance by the Town does not affect a lien on the property held by a person or entity other than the Town. Property conveyed to the Town under this section may be disposed of subsequently by the Town under any of the methods provided in Article 12 of G.S. Chapter 160A, including private sale under G.S. 160A-267.

"Section 5.2. Elkin Employees' Retirement. The Town of Elkin participates in the N.C. Local Governmental Employees' Retirement System, as provided in Article 3 of G.S. Chapter 128, and under the rules and regulations of the Retirement Systems Division of the Office of State Treasurer. Any member employed by the Town may purchase additional creditable service in the System for employment with the Town before establishment of the Town's previous private retirement plan. Such additional creditable service may be purchased as if the provisions of G.S. 135-4(t) were applicable, but without the necessity of completing 10 years of membership service. The purchase must be made within one year after the member first becomes eligible to make such purchase.

"Section 5.3. Elkin Firemen's Supplemental Retirement Fund. The Elkin Firemen's Supplemental Retirement Fund shall continue as authorized by Chapter 391, Session Laws of 1971, as amended.

"Section 5.4. Alcoholic Beverage Control Stores. Alcoholic beverage control stores shall operate in the Town of Elkin as provided in Chapter 806, Session Laws of 1965, as amended."

Sec. 2. The purpose of this act is to revise the Charter of the Town of Elkin and to consolidate certain acts concerning the property, affairs and government of the Town. It is intended to continue without interruption those provisions of prior acts which are expressly consolidated into this act, so that all rights and liabilities which have accrued are preserved and may be enforced.

Sec. 3. This act does not repeal or affect any acts concerning the property, affairs of government of public schools, or acts validating official actions, proceeds, contracts or obligations of any kind.

Sec. 3.1. This act does not repeal Section 3 of Chapter 730, Session Laws of 1987.

Sec. 4. All acts in conflict with this act are repealed. The following acts, having served the purposes for which they were enacted or having been consolidated into this act, are expressly repealed:

Chapter 86, Private Laws of 1889
Chapter 368, Private Laws of 1893
Chapter 88, Private Laws of 1901
Chapter 119, Private Laws of 1903
Chapter 5, Private Laws of 1911
Chapter 44, Private Laws of 1911
Chapter 25, Private Laws of 1913
Chapter 282, Private Laws of 1913
Chapter 186, Private Laws of 1929
Chapter 348, Public-Local Laws of 1931, except for Section 6
Chapter 138, Private Laws of 1931
Chapter 520, Public-Local Laws of 1933
Chapter 71, Public-Local Laws of 1933
Chapter 30, Private Laws of 1933
Chapter 82, Private Laws of 1933, except for Section 1
Chapter 142, Private Laws of 1933
Chapter 258, Private Laws of 1935
Chapter 190, Private Laws of 1935
Chapter 150, Public-Local Laws of 1937, as to Elkin
Chapter 77, Public-Local Laws of 1937
Chapter 178, Public-Local Laws of 1937
Chapter 297, Public Laws of 1939
Chapter 436, Public-Local Laws of 1941
Chapter 710, Session Laws of 1943, as to Elkin
Chapter 865, Session Laws of 1951
Chapter 832, Session Laws of 1951
Chapter 128, Session Laws of 1957
Chapter 127, Session Laws of 1957
Chapter 822, Session Laws of 1963
Chapter 96, Session Laws of 1967
Chapter 712, Session Laws of 1969
Chapter 254, Session Laws of 1973
Chapter 175, Session Laws of 1981
Chapter 742, Session Laws of 1985
Chapter 992, Session Laws of 1985 (Regular Session 1986)

Sec. 5. Chapter 391, Session Laws of 1971, is amended in the third line of Section 4 by deleting "G.S. 159-28.1" and substituting "G.S. 159-30".

Sec. 6. Chapter 806, Session Laws of 1965, as amended, is deemed amended further to change each reference to Chapter 18 of the General Statutes or to particular sections or Articles of the former Chapter 18 of the General Statutes to refer to the provisions of the current Chapter 18B of the General Statutes which most closely correspond.

Sec. 7. The Mayor and Commissioners serving on the date of ratification of this act shall serve for the remainder of their terms. Thereafter, those offices shall be filled by election as provided in Articles II and III of the Charter.

Sec. 8. This act does not affect any rights or interests which arose under any provisions repealed by this act.

Sec. 9. All existing ordinances, resolutions and other provisions of the Town of Elkin not inconsistent with the provisions of this act shall continue in effect until repealed or amended.

Sec. 10. No action or proceeding pending on the effective date of this act by or against the Town or any of its departments or agencies shall be abated or otherwise affected by this act.

Sec. 11. If any provision or application of this act is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provisions or application, and to this end the provisions of this act are declared to be severable.

Sec. 12. Whenever a reference is made in this act to a particular provision of the General Statutes, and such provision is later amended, superseded or recodified, the reference shall be deemed amended to refer to the amended section of the General Statutes, or to the General Statute section which most clearly corresponds to the statutory provision which is superseded or recodified.

Sec. 13. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 719 **CHAPTER 741**

AN ACT TO ALLOW THE WAIVER OF CERTAIN SURETY BONDS REQUIRED FOR CHARITABLE SOLICITATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131C-10 is amended by adding a new sentence to the end to read:

"A bond shall not be required of any applicant who does not personally receive any of the contributions collected and who does not personally handle any of the contributions expended."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 751 **CHAPTER 742**

AN ACT TO MODIFY THE DEFENSE TO RAPE AND SEXUAL OFFENSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-27.8 is rewritten to read:

"§ *14-27.8. Defense that victim is spouse of person committing act.*-- A person may not be prosecuted under this Article if the victim is the person's legal spouse at the time of the commission of the alleged rape or sexual offense unless the parties are living separate and apart."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 7th of August, 1987.

H.B. 216 **CHAPTER 743**

AN ACT TO RAISE THE PENALTY FOR FAILURE TO LIST A MOTOR VEHICLE IF THE OWNER HAS FALSELY CERTIFIED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-312 is amended by adding a new subsection to read:

"(h1) If the discovered property is a motor vehicle and the county accessor determines from records of the Division of Motor Vehicles that the owner of the vehicle falsely certified that he listed the vehicle for property taxes in violation of G.S. 20-50.2(a)(1), the county assessor shall add a penalty of one hundred dollars ($100.00) for failure to list that vehicle in that county, which penalty shall be in addition to the penalties imposed by subsection (h). This penalty shall be imposed only for the year in which the discovery is made, regardless of the number of listing periods that elapsed before the motor vehicle was discovered, and regardless of whether the owner of the vehicle falsely certified that he paid taxes on the vehicle in previous years. The civil penalty in this subsection shall not be

imposed if the owner of the vehicle has been criminally punished under G.S. 20-50.2(c) with regard to the same failure to list."

Sec. 2. G.S. 105-312(l)is amended by rewriting the first sentence of this subsection to read:

"Except for the provision in subsection (h1) which imposes an additional penalty for false certification of motor-vehicle listing, the provisions of this section shall apply to all cities, towns, and other municipal corporations having the power to tax property."

Sec. 3. G.S. 20-50.2(c) is amended by adding a sentence at the end to read:

"The imposition of a civil penalty under G.S. 105-312(h1) shall be a bar to criminal prosecution under this section, where the same failure to list is at issue."

Sec. 4. This act is effective for the taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 291 **CHAPTER 744**

AN ACT TO PROVIDE THAT CERTAIN PRELIMINARY HEARINGS ON LICENSE SUSPENSIONS ARE NOT MANDATORY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-16(a) is amended by deleting the words "after providing an opportunity for" appearing in line 2 and substituting the words "with or without a".

Sec. 2. G.S. 20-16(a) is amended by adding a new sentence at the end to read:

"However, if the Division revokes without a preliminary hearing and the person whose license is being revoked requests a hearing before the effective date of the revocation, the licensee retains his license unless it is revoked under some other provision of the law, until the hearing is held, the person withdraws his request, or he fails to appear at a scheduled hearing."

Sec. 3. G.S. 20-13(a) is amended by deleting the words "after providing an opportunity for a preliminary hearing" in lines 1 and 2 and substituting the words "with or without a preliminary hearing".

Sec. 4. G.S. 20-13(a) is amended by adding a new sentence at the end to read:

"However, if the Division revokes without a preliminary hearing and the person whose license is being revoked requests a hearing before the effective date of the revocation, the licensee retains his

license unless it is revoked under some other provision of the law, until the hearing is held, the person withdraws his request, or he fails to appear at a scheduled hearing."

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 697 **CHAPTER 745**

AN ACT TO RAISE THE WILDLIFE LICENSE FEES FOR CITIZENS OF STATES THAT CHARGE NORTH CAROLINA CITIZENS HIGHER WILDLIFE LICENSE FEES AND TO MAKE OTHER CHANGES IN THE LAW PERTAINING TO WILDLIFE LICENSE FEES FOR CITIZENS OF OTHER STATES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113-275 is amended by adding a new subsection to read:

"(a1) Notwithstanding the fees specified for nonresident individuals by G.S. 113-270.2, 113-270.3, 113-270.5, 113-271, 113-272, 113-272.2, and 113-273, if the Wildlife Resources Commission finds that a state has a nonresident license fee related to wildlife resources that exceeds the fee for a comparable nonresident license in North Carolina, the Wildlife Resources Commission may, by resolution in official session, increase the nonresident license fee applicable to citizens of that state to an amount equal to the fee a North Carolina resident is required to pay in that state.

The action of the Wildlife Resources Commission to increase a fee pursuant to this subsection is not subject to the provisions of Article 2 of Chapter 150B of the General Statutes. Notwithstanding the provisions of G.S. 150B-59(a), the action of the Wildlife Resources Commission to increase a fee pursuant to this subsection becomes effective on the date specified by the Wildlife Resources Commission."

Sec. 2. G.S. 113-270.3(b)(2), as rewritten by Section 3 of Chapter 156 of the 1987 Session Laws, is amended as follows: by changing the period at the end of the last sentence to a simicolon and adding the language "provided, that those persons who have a nonresident lifetime hunting or sportsman combination license purchased prior to July 1, 1987 shall not have to purchase this license."

Sec. 3. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 835 **CHAPTER 746**

AN ACT TO ESTABLISH A CORRECTIONS ADMINISTRATIVE REMEDY PROCEDURE.

The General Assembly of North Carolina enacts:

Section 1. Article 11 of Chapter 148 of the North Carolina General Statutes is repealed.

Sec. 2. Chapter 148 of the North Carolina General Statutes is amended by adding a new Article to read:

"Article 11A.

"Corrections Administrative Remedy Procedure.

"§ *148-118.1. Authority.*--The Department of Correction shall adopt an Administrative Remedy Procedure in compliance with 42 U.S.C. 1997, the 'Civil Rights of Institutionalized Persons Act'. The Administrative Remedy Procedure and any amendments or changes thereto shall be adopted only after prior consultation with the Grievance Resolution Board.

"§ *148-118.2. Effect.*--(a) Upon approval of the Administrative Remedy Procedure by a federal court as authorized and required by 42 U.S.C. 1997(e)(a), and the implementation of the procedure, this procedure shall constitute the administrative remedies available to a prisoner for the purpose of preserving any cause of action under the purview of the Administrative Remedy Procedure, which a prisoner may claim to have against the State of North Carolina, the Department of Correction, or its employees.

(b) No State court shall entertain a prisoner's grievance or complaint which falls under the purview of the Administrative Remedy Procedure unless and until the prisoner shall have exhausted the remedies as provided in said procedure. If the prisoner has failed to pursue administrative remedies through this procedure, any petition or complaint he files shall be stayed for 90 days to allow the prisoner to file a grievance and for completion of the procedure. If at the end of 90 days the prisoner has failed to timely file his grievance, then the petition or complaint shall be dismissed. Provided, however, that the court can waive the exhaustion requirement if it finds such waiver to be in the interest of justice.

"§ *148-118.3. Publication of procedure.*--The Administrative Remedy Procedure shall be published in the North Carolina Register.

"§ *148-118.4. Definitions.*--For purposes of this Article, 'prisoner' shall refer to all prisoners in the physical custody of the Department of Correction.

"§ *148-118.5. Records confidentiality.*--All reports, investigations, and like supporting documents prepared by the Department for purposes of responding to the prisoner's request for an administrative remedy shall be deemed to be confidential. All formal written responses to the prisoner's request shall be furnished to the prisoner as a matter of course as required by the procedure. The Grievance Resolution Board shall have access to all relevant records developed by the Department of Correction.

"§ *148-118.6. Grievance Resolution Board.*--The Grievance Resolution Board is established as a separate agency within the Department of Correction. It shall consist of five members appointed by the Governor to serve four-year terms. Of the members so appointed, three shall be attorneys selected from a list of 10 persons recommended by the Council of the North Carolina State Bar. The remaining two members shall be persons of knowledge and experience in one or more fields under the jurisdiction of the Secretary of Correction. In the event a vacancy occurs on the Board prior to the expiration of a member's term, the Governor shall appoint a new Board member to serve the unexpired term. If the vacancy occurs in one of the positions designated for an attorney, the Governor shall select another attorney from a list of five persons recommended by the Council of the North Carolina State Bar. The Board shall perform those functions assigned to it by the Governor and shall review the grievance procedure. The Grievance Resolution Board shall meet not less than quarterly to review summaries of grievances. All members of the Inmate Grievance Commission, appointed by the Governor pursuant to G.S. 148-101, may complete their terms as members of the Board. Each member of the Board shall receive per diem and travel expenses as authorized for members of State commissions and boards under G.S. 138-5.

"§ *148-118.7. Removal of members.*--The Governor may remove any member of the Grievance Resolution Board for one or more of the following reasons:

(1) Conviction of a crime involving moral turpitude or of any criminal offense the effect of which is to prevent or interfere with the performance of Board duties.
(2) Failure to regularly attend meetings of the Board.
(3) Failure to carry out duties assigned by the Board or its chairman.

(4) Acceptance of another office or the conduct of other business conflicting with or tending to conflict with the performance of Board duties.

(5) Any other ground that, under law, necessitates or justifies the removal of a State employee.

"§ *148-118.8. Appointment, salary, and authority of Executive Director and inmate grievance examiners.*--(a) The Grievance Resolution Board shall appoint an Executive Director and grievance examiners after consultation with the Secretary of Correction. The Executive Director shall manage the staff and perform such other functions as are assigned to him by the Grievance Resolution Board. The Executive Director and the grievance examiners shall serve at the pleasure of the Grievance Resolution Board. However, if a grievance examiner is removed from his position for other than just cause, he shall have priority for any position that becomes available for which he is qualified according to rules regulating and defining priority as promulgated by the State Personnel Commission. The grievance examiners shall be subject to Article 2 of Chapter 126 of the North Carolina General Statutes for purposes of salary and leave. Support staff, equipment, and facilities for the Board shall be provided by the Department of Correction.

(b) The inmate grievance examiners shall investigate inmate grievances pursuant to the procedures established by the Administrative Remedy Procedure. Examiners shall attempt to resolve grievances through mediation with all parties. Otherwise, the inmate grievance examiners shall either (i) order such relief as is appropriate; or (ii) deny the grievance. The decision of the grievance examiner shall be binding, unless the Secretary of Correction (i) finds that such relief is not appropriate, (ii) gives a written explanation for this finding, and (iii) makes an alternative order of relief or denies the grievance.

"§ *148-118.9. Investigatory power of the Grievance Resolution Board.*--The Secretary of Correction may request that the Grievance Resolution Board investigate matters involving broad policy concerns. The Grievance Resolution Board may convene a fact-finding hearing to consider the issues presented for investigation. A record of testimony presented at such hearing shall be maintained by the Board. The Board shall report the findings of its investigation to the Secretary within a reasonable time. In no event shall such a request on the part of the Secretary result in a delay of the resolution of an inmate's grievance beyond the 90 day period."

Sec. 3. The Department of Correction shall provide support staff, equipment, and facilities for the Grievance Resolution Board at least at the levels currently provided for the Inmate Grievance Commission under G.S. 148-102(c).

Sec. 4. This act shall become effective January 1, 1988.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 1211 **CHAPTER 747**

AN ACT TO CONTROL THE COST OF ACQUIRING RIGHTS-OF-WAY FOR THE STATE'S HIGHWAY SYSTEM; AND TO MAKE OTHER CHANGES IN THE LAWS AFFECTING THE STATE'S HIGHWAY SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-66.1(1) reads as rewritten:

"Responsibility for streets and highways inside the corporate limits of municipalities is hereby defined as follows:

(1) The State Highway System. The State highway system inside the corporate limits of municipalities shall consist of a system of major streets and highways necessary to move volumes of traffic efficiently and effectively from points beyond the corporate limits of the municipalities through the municipalities and to major business, industrial, governmental and institutional destinations located inside the municipalities. The Department of Transportation shall be responsible for the maintenance, repair, improvement, widening, construction and reconstruction of this system. These streets and highways within corporate limits are of primary benefit to the State in developing a statewide coordinated system of primary and secondary streets and highways~~, but many of these streets and highways also have varying degrees of benefit to the municipalities. Therefore, the respective responsibilities of the Department of Transportation and the municipalities for the acquisition and cost of rights-of-way for State highway system street improvement projects shall be determined by mutual agreement between the Department of Transportation and each municipality~~."

Sec. 2. G.S. 136-66.1 (4) reads as rewritten:

"(4) ~~In the event that~~ If the governing body of any municipality shall determine that it is in the best interest of its citizens to do so, it may expend its funds for the purpose of making the following improvements on streets within its corporate limits which form a part of the State highway system:

a. Construction of curbing and guttering;

b. Adding of lanes for automobile parking;

c. ~~Bearing that portion of the cost of constructing~~ Constructing street drainage facilities which may by reasonable engineering estimates be attributable to that amount of surface water collected upon and flowing from municipal streets which do not form a part of the State highway system;

d. Constructing sidewalks; provided, that no part of the funds allocated to the municipality by G.S. 136-41.1 may be expended for sidewalk purposes.

e. Intersection improvements, if the governing body determines that such improvements will decrease traffic congestion, improve safety conditions, and improve air quality.

In exercising the authority granted herein, the municipality may, with the consent of the Department of Transportation, perform the work itself, or it may enter into a contract with the Department of Transportation to perform such work. Any work authorized by this subdivision ~~may be financed jointly~~ shall be financed entirely by the municipality ~~and the Department of Transportation pursuant to a cost-sharing agreement entered into by each.~~ and be approved by the Department of Transportation.

The cost of any work financed by a municipality pursuant to this subdivision may be assessed against the properties abutting the street or highway upon which such work was performed in accordance with the procedures of either Article 10 of Chapter 160A of the General Statutes or any charter provisions or local acts applicable to the particular municipality."

Sec. 3. G.S. 136-66.3 reads as rewritten:

"§ *136-66.3.* ~~*Acquisition of rights.*~~ *Municipal participation in improvements to the State highway system.*--(a) ~~When any one or more street construction or improvement projects are proposed on the State highway system in and around a municipality, the Department of Transportation and the municipal governing body shall reach agreement on their respective responsibilities for the acquisition and cost of rights-of-way necessary for such project or projects. In reaching such agreement, the Department of Transportation and the municipality shall take into consideration:~~

~~(1) The relative importance of the project to a coordinated statewide system of highways.~~

~~(2) The relative benefit of the project to the municipality.~~

~~(3) The degree to which the cost of acquisition of rights-of-way can be reduced or minimized through action by the municipality and/or the Department of Transportation to acquire all or part of the rights-of-way for proposed~~

~~projects well in advance of construction of such projects.~~

Except as otherwise authorized by this Article, no municipality shall participate in the cost of any State highway system improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4). No municipality shall be required to contribute to the right-of-way and construction costs of any State highway system improvement approved by the Board of Transportation under G.S. 143B-350(f)(4), nor shall the Department of Transportation accept any participation, directly or indirectly, from a municipality except as authorized by this Article.

(b) The restrictions imposed by this section on participation by municipalities in the implementation of improvements on the State highway system shall not apply to those improvements approved by the Board of Transportation which are financed by funds allocated by the General Assembly for the 'Small Urban Construction Program'. The municipalities may, but shall not be required to, participate in the right-of-way and construction cost of 'Small Urban Construction Program' highway improvements.

(c) A municipality is authorized to make improvements to portions of the State highway system lying within the municipal corporate limits utilizing local funds that have been authorized for that purpose by a vote of the citizens of the municipality. All improvements to the State highway system shall be done in accordance with the specifications and requirements of the Department of Transportation and shall be set forth in an agreement entered into between the municipality and the Department. The Board of Transportation shall not give consideration to or credit for such locally financed improvements in the Transportation Improvement Program under G.S. 143B-350(f)(4).

(d) When in the review and approval by a municipality of plans for the development of property abutting the State highway system it is determined by the municipality that improvements to the State highway system are necessary to provide for the safe and orderly movement of traffic, the municipality is authorized to construct, or have constructed, said improvements to the State highway system in vicinity of the development. For purposes of this section, improvements include but are not limited to additional travel lanes, turn lanes, curb and gutter, and drainage facilities. All improvements to the State highway system shall be constructed in accordance with the specifications and requirements of the Department of Transportation and be approved by the Department of Transportation.

(e) A municipality may pursuant to an agreement with the Department of Transportation reimburse the Department of Transportation for the cost of all improvements, including additional right-of-way, for a street or highway improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4) that are in addition to those improvements that the Department of Transportation would normally include in the project.

(f) ~~Whenever a municipality agrees to acquire rights-of-way for a State highway system street improvement project, the Department of Transportation may agree to reimburse the municipality in whole or in part for expenditures made by the municipality to acquire such rights-of-way.~~ Municipalities having a population of less than 10,000 according to the most recent annual estimates of population as certified to the Secretary of Revenue by the State Budget Officer shall not participate in the right-of-way and construction costs of any State highway system improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4).

~~In the acquisition of rights-of-way for any State highway system street or highway in or around a municipality, the municipality shall be vested with the same authority to acquire such rights-of-way as is granted to the Department of Transportation in this Chapter. In the acquisition of such rights-of-way, municipalities may use the procedures provided in Article 9 of this Chapter, and wherever the words 'Department of Transportation' appear in Article 9 they shall be deemed to include 'municipality' or 'municipal governing body,' and wherever the words 'Administrator,' 'Administrator of Highways,' 'Administrator of the Department of Transportation,' or 'Chairman of the Department of Transportation' appear in Article 9 they shall be deemed to include 'municipal clerk.' It is the intention of this subsection that the powers herein granted to municipalities for the purpose of acquiring rights-of-way shall be in addition to and supplementary to those powers granted in any local act or in any other general statute, and in any case in which the provisions of this subsection or Article 9 of this Chapter are in conflict with the provisions of any local act or any other provision of any general statute, then the governing body of the municipality may in its discretion proceed in accordance with the provisions of such local act or other general statute, or, as an alternative method of procedure, in accordance with the provisions of this subsection and Article 9 of this Chapter.~~ Municipalities having a population of 10,000 or more according to the most recent annual estimates of population as certified to the Secretary of Revenue by the State Budget Officer may, but shall not be required by the Department or Board of Transportation, participate up to a maximum percentage as shown below in the cost of

rights-of-way of the portion of any transportation improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4) that is located within the municipal corporate limits:

Municipal Population	Maximum Participation In Right-of-Way Costs
10,000 - 25,000	5%
25,001 - 50,000	10%
50,001 - 100,000	15%
over 100,000	25%

This authority to allow a municipality to participate in the right-of-way costs of any transportation improvement project approved by the Board of Transportation under G.S. 143B-350 (f)(4) that is located within the municipal corporate limits shall expire on June 30, 1990.

Any participation shall be set forth in an agreement between the municipality and the Department of Transportation. Upon request of the municipality, the Department of Transportation shall allow the municipality a period of not less than three years from the date construction of the project is initiated to reimburse the Department their agreed upon share of the costs of rights-of-way necessary for the project. The Department of Transportation shall not charge a municipality any interest on its agreed upon share of rights-of-way costs. The Secretary shall report in writing, on a monthly basis, to the Joint Legislative Commission on Governmental Operations on all agreements entered into between municipalities and the Department of Transportation. The report shall state in summary form the contents of such agreements.

(g) ~~In the absence of an agreement, the Department of Transportation shall retain authority to pay the full cost of acquiring rights-of-way where the proposed project is deemed important to a coordinated State highway system.~~

In the acquisition of rights-of-way for any State highway system street or highway in or around a municipality, the municipality shall be vested with the same authority to acquire such rights-of-way as is granted to the Department of Transportation in this Chapter. In the acquisition of such rights-of-way, municipalities may use the procedures provided in Article 9 of this Chapter, and wherever the words 'Department of Transportation' appear in Article 9 they shall be deemed to include 'municipality' or 'municipal governing body,' and wherever the words 'Administrator,' 'Administrator of Highways,'

'Administrator of the Department of Transportation,' or 'Chairman of the Department of Transportation' appear in Article 9 they shall be deemed to include 'municipal clerk'. It is the intention of this subsection that the powers herein granted to municipalities for the purpose of acquiring rights-of-way shall be in addition to and supplementary to those powers granted in any local act or in any other general statute, and in any case in which the provisions of this subsection or Article 9 of this Chapter are in conflict with the provisions of any local act or any other provision of any general statute, then the governing body of the municipality may in its discretion proceed in accordance with the provisions of such local act or other general statute, or, as an alternative method of procedure, in accordance with the provisions of this subsection and Article 9 of this Chapter.

(h) ~~Either the municipality or the Department of Transportation may at any time propose changes in the agreement setting forth their respective responsibilities for right-of-way acquisition by giving notice to the other party, but no change shall be effective until it is adopted by both the municipal governing body and the Department of Transportation.~~ In the absence of an agreement, the Department of Transportation shall retain authority to pay the full cost of acquiring rights-of-way where the proposed project is deemed important to a coordinated State highway system.

(i) ~~Any municipality which agrees to contribute any part of the cost of acquiring rights-of-way for any State highway system street or highway shall be a proper party in any proceeding in court relating to the acquisition of such rights-of-way.~~ Either the municipality or the Department of Transportation may at any time propose changes in the agreement setting forth their respective responsibilities for right-of-way acquisition by giving notice to the other party, but no change shall be effective until it is adopted by both the municipal governing body and the Department of Transportation.

(j) Any municipality that agrees to contribute any part of the cost of acquiring rights-of-way for any State highway system street or highway shall be a proper party in any proceeding in court relating to the acquisition of such rights-of-way."

Sec. 3.1. G.S. 160A-297 reads as rewritten:

"§ *160A-297. Streets under authority of Board of Transportation.*-- A city shall not be responsible for maintaining streets or bridges under the authority and control of the Board of Transportation, and shall not be liable for injuries to persons or property resulting from any failure to do so.

~~(b) A city may, at its own expense, widen any street or bridge under the authority and control of the Board of Transportation, subject to the Board of Transportation's engineering and design specifications.~~

(~~c~~ b) Nothing in this Article shall authorize any city to interfere with the rights and privileges of the Board of Transportation with respect to streets and bridges under the authority and control of the Board of Transportation."

Sec. 4. This act shall not be construed to abrogate any agreement between the Department of Transportation and a municipality for the purpose of participating in a State highway system improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4) if the agreement was approved by the Board of Transportation and executed prior to the effective date of this act. This act shall not apply to highway improvement projects identified in the Department's Transportation Improvement Program 1987-1995 adopted by the Board of Transportation in December 1986 for which local municipal participation in rights-of-way acquisition or construction or both is shown.

Sec. 4.1. G.S. 143B-350(f) reads as rewritten:

"(f) The Board of Transportation shall have duties and powers:

(1) To formulate policies and priorities for all modes of transportation under the Department of Transportation;

(2) To advise the Secretary on matters to achieve the maximum public benefit in the performance of the functions assigned to the Department;

(3) To ascertain the transportation needs and the alternative means to provide for these needs through an integrated system of transportation taking into consideration the social, economic and environmental impacts of the various alternatives;

(4) To approve a schedule of all major transportation improvement projects and their anticipated cost for a period of seven years into the future which shall be published in a single document along with a report of the progress accomplished in the past year;

(5) To consider and advise the Secretary of Transportation upon any other transportation matter that the Secretary may refer to it;

(6) To assist the Secretary of Transportation in the performance of his duties in the development of programs and approve priorities for programs within the Department;

(7) To allocate all highway construction and maintenance funds appropriated by the General Assembly as well as federal-aid funds which may be available;

(8) To approve all highway construction programs;
(9) To approve all highway construction projects and construction plans for the construction of projects;
(10) To review all statewide maintenance functions;
(11) To award all highway construction contracts;
(12) To authorize the acquisition of rights-of-way for highway improvement projects, including the authorization for acquisition of property by eminent domain;
(13) To promulgate rules, regulations, and ordinances concerning all transportation functions assigned to the Department.

The ability of a municipality to pay in part or whole for any transportation improvement project shall not be a factor considered by the Board of Transportation in its development and approval of a schedule of major State highway system improvement projects to be undertaken by the Department under G.S. 143B-350(f)(4).

Sec. 5. The City of Charlotte is authorized to acquire rights-of-way, construct and improve one thoroughfare that is presently a part of the State highway system and that may be partially located outside the corporate limits of the municipality and within the corporate limits of another municipality. The authorization granted by this section shall not be construed as authority to advance the schedule of any major transportation improvement project in the City of Charlotte urban area approved by the Board of Transportation.

The City may expend any of its funds, including property taxes, for the purpose of performing any work authorized by this section. Nothing in this act shall authorize the Department of Transportation to participate in the thoroughfare improvement authorized by this section. The authority granted by this section shall terminate upon the completion of the thoroughfare improvement.

Sec. 5.1. The City of Durham is authorized to acquire rights-of-way, construct and improve one thoroughfare that may be partially located outside the corporate limits of the municipality and said thoroughfare is a part of the transportation plan developed under G.S. 136-66.2 and is designated a State responsibility. The City may expend any of its funds, including property taxes, for the purpose of performing any work authorized by this section. The work to be accomplished as authorized by this section shall be done in accordance with the specifications and requirements of the Department of Transportation and shall be set forth in an agreement entered into between the City and the Department of Transportation. The authority granted by this section shall not be construed as authority to advance

the schedule of this project or any other major transportation improvement project in the City of Durham urban area prior to the schedule shown in the Department of Transportation's "Transportation Improvement Program" dated December 1986. The authority granted by this section shall terminate upon the completion of the thoroughfare improvement.

Sec. 5.2. The City of High Point is authorized to select and to participate in the development, including right-of-way acquisition and construction, of one thoroughfare that is located inside the corporate limits of the municipality and said thoroughfare is a part of the transportation plan developed under G.S. 136-66.2 and is designated a State responsibility. The City may expend any of its funds, including property taxes, for the purpose of performing any work authorized by this section. The work to be accomplished as authorized by this section shall be done in accordance with the specifications and requirements of the Department of Transportation and shall be set forth in an agreement entered into between the City and the Department of Transportation. The authority granted by this section shall not be construed as authority to advance the construction schedule for this thoroughfare project or any other major transportation improvement project in the City of High Point urban area prior to the schedule shown in the Department of Transportation's "Transportation Improvement Program" dated December, 1986. The authority granted by this section shall terminate upon the completion of the thoroughfare improvement.

Sec. 6. The City of Wilmington is authorized to select and participate in one State highway system improvement project approved by the Board of Transportation under G.S. 143B-350(f)(4). The construction of the project selected shall not be commenced prior to the schedule shown in the Department of Transportation's "Transportation Improvement Program" dated December 1986. The City of Wilmington is authorized and empowered to acquire all rights-of-way for all portions of the selected transportation improvement project which may be partially located outside the Wilmington municipal corporate limits. The work to be accomplished as authorized by this section shall be done in accordance with the specifications and requirements of the Department of Transportation and shall be set forth in an agreement entered into between the City and the Department of Transportation. The authorization granted by this section shall not be construed as authority to advance the schedule of any major transportation improvement project in the City of Wilmington urban area approved by the Board of Transportation. Upon the completion of the selected project this authority granted to the City of Wilmington by this section shall terminate.

Sec. 7. Chapter 136 of the General Statutes is amended by adding a new Article to read:

"Article 3B.

"Dedication of Right-of-Way with Density or Development Rights Transfer.

"*§ 136-66.10. Dedication of right-of-way under local ordinances.*--(a) Whenever a tract of land located within the territorial jurisdiction of a city or county's zoning or subdivision control ordinance or any other land use control ordinance authorized by local act is proposed for subdivision or for use pursuant to a zoning or building permit, and a portion of it is embraced within a corridor for a street or highway on a plan established and adopted pursuant to G.S. 136-66.2 for a street or highway that is included in the Department of Transportation's 'Transportation Improvement Program', a city or county zoning or subdivision ordinance may provide for the dedication of right-of-way within that corridor pursuant to any applicable legal authority, or:

(1) A city or county may require an applicant for subdivision plat approval or for a special use permit, conditional use permit, or special exception, or for any other permission pursuant to a land use control ordinance authorized by local act to dedicate for street or highway purpose, the right-of-way within such corridor if the city or county allows the applicant to transfer density credits attributable to the dedicated right-of-way to contiguous land owned by the applicant. No dedication of right-of-way shall be required pursuant to this subdivision unless the board or agency granting final subdivision plat approval or the special use permit, conditional use permit, special exception, or permission shall find, prior to the grant, that the dedication does not result in the deprivation of a reasonable use of the original tract and that the dedication is either reasonably related to the traffic generated by the proposed subdivision or use of the remaining land or the impact of the dedication is mitigated by measures provided in the local ordinance.

(2) If a city or county does not require the dedication of right-of-way within the corridor pursuant to subdivision (1) of this subsection or other applicable legal authority, but an applicant for subdivision plat approval or a zoning or building permit, or any other permission pursuant to a land use control ordinance authorized by local act elects to dedicate the right-of-way, the city or county may allow the applicant to transfer density credits attributable to the dedicated right-of-way to contiguous land that is part of a

common development plan or to transfer severable development rights attributable to the dedicated right-of-way to noncontiguous land in designated receiving districts pursuant to G.S. 136-66.11.

(b) When used in this section, the term 'density credit' means the potential for the improvement or subdivision of part or all of a parcel of real property, as permitted under the terms of a zoning and/or subdivision ordinance, and/or other land use control ordinance authorized by local act, expressed in dwelling unit equivalents or other measures of development density or intensity or a fraction or multiple of that potential that may be transferred to other portions of the same parcel or to contiguous land in that is part of a common development plan.

"§ *136-66.11. Transfer of severable development rights.*--(a) When used in this section and in G.S. 136-66.10, the term 'severable development right' means the potential for the improvement or subdivision of part or all of a parcel of real property, as permitted under the terms of a zoning and/or subdivision ordinance, expressed in dwelling unit equivalents or other measures of development density or intensity or a fraction or multiple of that potential that may be severed or detached from the parcel from which they are derived and transferred to one or more other parcels located in receiving districts where they may be exercised in conjunction with the use or subdivision of property, in accordance with the provisions of this section.

(b) A city or county may provide in its zoning and subdivision control ordinances for the establishment, transfer, and exercise of severable development rights to implement the provisions of G.S. 136-66.10 and this section.

(c) City or county zoning or subdivision control provisions adopted pursuant to this authority shall provide that if right-of-way area is dedicated and severable development rights are provided pursuant to G.S. 136-66.10(a)(2) and this section, within 10 days after the approval of the final subdivision plat or issuance of the building permit, the city or county shall convey to the dedicator a deed for the severable development rights that are attributable to the right-of-way area dedicated under those subdivisions. If the deed for the severable development rights conveyed by the city or county to the dedicator is not recorded in the office of the register of deeds within 15 days of its receipt, the deed shall be null and void.

(d) In order to provide for the transfer of severable development rights pursuant to this section, the governing board shall amend the zoning ordinance to designate severable development rights receiving

districts. These districts may be designated as separate use districts or as overlaying other zoning districts. No severable development rights shall be exercised in conjunction with the development of subdivision of any parcel of land that is not located in a receiving district. A city or county may, however, limit the maximum development density or intensity or the minimum size of lots allowed when severable development rights are exercised in conjunction with the development or subdivision of any eligible site in a receiving district. No plat for a subdivision in conjunction with which severable development rights are exercised shall be recorded by the register of deeds, and no new building, or part thereof, or addition to or enlargement of an existing building, that is part of a development project in conjunction with which severable development rights are exercised shall be occupied, until documents have been recorded in the office of the register of deeds transferring title from the owner of the severable development rights to the granting city or county and providing for their subsequent extinguishment. These documents shall also include any other information that the city or county ordinance may prescribe.

(e) In order to implement the purposes of this section a city or county may by ordinance adopt regulations consistent with the provisions of this section.

(f) A severable development right shall be treated as an interest in real property. Once a deed for severable development rights has been transferred by a city or county to the dedicator and recorded, the severable development rights shall vest and become freely alienable."

Sec. 8. G.S. 105-275 is amended by adding a new subdivision to read:

"(32) Severable development rights, as defined in G.S. 136-66.11(a), when severed and evidenced by a deed recorded in the office of the register of deeds pursuant to G.S. 136-66.11(c)."

Sec. 9. G.S. 160A-372 reads as rewritten:

"§ *160A-372. Contents and requirements of ordinance.*--A subdivision control ordinance may provide for the orderly growth and development of the city; for the coordination of streets and highways within proposed subdivisions with existing or planned streets and highways and with other public facilities; for the dedication or reservation of recreation areas serving residents of the immediate neighborhood within the subdivision or, alternatively, for provision of funds to be used to acquire recreation areas serving residents of the development or subdivision or more than one subdivision or development within the immediate area, and rights-of-way or

easements for street and utility purposes including the dedication of rights-of-way pursuant to G.S. 136-10 or G.S. 136-11; and for the distribution of population and traffic in a manner that will avoid congestion and overcrowding and will create conditions essential to public health, safety, and the general welfare. The ordinance may include requirements that the final plat show sufficient data to determine readily and reproduce accurately on the ground the location, bearing, and length of every street and alley line, lot line, easement boundary line, and other property boundaries, including the radius and other data for curved property lines, to an appropriate accuracy and in conformance with good surveying practice.

The ordinance may provide for the more orderly development of subdivisions by requiring the construction of community service facilities in accordance with municipal policies and standards and, to assure compliance with these requirements, the ordinance may provide for the posting of bond or any other method that will offer guarantee of compliance.

The ordinance may provide for the reservation of school sites in accordance with comprehensive land use plans approved by the council or the planning agency. In order for this authorization to become effective, before approving such plans the council or planning agency and the board of education with jurisdiction over the area shall jointly determine the specific location and size of any school sites to be reserved, which information shall appear in the comprehensive land use plan. Whenever a subdivision is submitted for approval which includes part or all of a school site to be reserved under the plan, the council or planning agency shall immediately notify the board of education and the board shall promptly decide whether it still wishes the site to be reserved. If the board of education does not wish to reserve the site, it shall so notify the council or planning agency and no site shall be reserved. If the board does wish to reserve the site, the subdivision shall not be approved without such reservation. The board of education shall then have 18 months beginning on the date of final approval of the subdivision within which to acquire the site by purchase or by initiating condemnation proceedings. If the board of education has not purchased or begun proceedings to condemn the site within 18 months, the subdivider may treat the land as freed of the reservation.

The ordinance may require that a plat be prepared, approved, and recorded pursuant to its provisions whenever any subdivision of land takes place.

The ordinance may provide that a developer may provide funds to the city whereby the city may acquire recreational land or areas to serve the development or subdivision, including the purchase of land which may be used to serve more than one subdivision or development within the immediate area. All funds received by the city pursuant to this paragraph shall be used only for the acquisition or development of recreation, park, or open space sites. Any formula enacted to determine the amount of funds that are to be provided under this paragraph shall be based on the value of the development or subdivision for property tax purposes. The ordinance may allow a combination or partial payment of funds and partial dedication of land when the governing body of the city determines that this combination is in the best interests of the citizens of the area to be served."

Sec. 10. G.S. 153A-331 reads as rewritten:

"§ *153A-331. Contents and requirements of ordinance.*--A subdivision control ordinance may provide for the orderly growth and development of the county; for the coordination of streets and highways within proposed subdivisions with existing or planned streets and highways and with other public facilities; for the dedication or reservation of recreation areas serving residents of the immediate neighborhood within the subdivision and of rights-of-way or easements for street and utility purposes including the dedication of rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11; and for the distribution of population and traffic in a manner that will avoid congestion and overcrowding and will create conditions essential to public health, safety, and the general welfare. The ordinance may include requirements that the final plat show sufficient data to determine readily and reproduce accurately on the ground the location, bearing, and length of every street and alley line, lot line, easement boundary line, and other property boundaries, including the radius and other data for curved property lines, to an appropriate accuracy and in conformity with good surveying practice. A subdivision control ordinance may provide that a developer may provide funds to the county whereby the county may acquire recreational land or areas to serve the development or subdivision, including the purchase of land which may be used to serve more than one subdivision or development within the immediate area.

The ordinance may provide for the more orderly development of subdivisions by requiring the construction of community service facilities in accordance with county policies and standards, and, to assure compliance with these requirements, the ordinance may provide for the posting of bond or any other method that will offer guarantee

of compliance.

The ordinance may provide for the reservation of school sites in accordance with comprehensive land use plans approved by the board of commissioners or the planning agency. For the authorization to reserve school sites to be effective, the board of commissioners or planning agency, before approving a comprehensive land use plan, shall determine jointly with the board of education with jurisdiction over the area the specific location and size of each school site to be reserved, and this information shall appear in the plan. Whenever a subdivision that includes part or all of a school site to be reserved under the plan is submitted for approval, the board of commissioners or the planning agency shall immediately notify the board of education. That board shall promptly decide whether it still wishes the site to be reserved and shall notify the board of commissioners or planning agency of its decision. If the board of education does not wish the site to be reserved, no site may be reserved. If the board of education does wish the site to be reserved, the subdivision may not be approved without the reservation. The board of education must acquire the site within 18 months after the date the site is reserved, either by purchase or by exercise of the power of eminent domain. If the board of education has not purchased the site or begun proceedings to condemn the site within the 18 months, the subdivider may treat the land as freed of the reservation.

The ordinance may require that a plat be prepared, approved, and recorded pursuant to its provisions whenever a subdivision of land takes place."

Sec. 11. G.S. 160A-381 reads as rewritten:

"§ *160A-381. Grant of power.*--For the purpose of promoting health, safety, morals, or the general welfare of the community, any city ~~is hereby empowered to~~ may regulate and restrict the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, and the location and use of buildings, structures and land for trade, industry, residence or other purposes and to provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11. These regulations may provide that a board of adjustment may determine and vary their application in harmony with their general purpose and intent and in accordance with general or specific rules therein contained. The regulations may also provide that the board of adjustment or the city council may issue special use permits or conditional use permits in the classes of cases or situations and in

accordance with the principles, conditions, safeguards, and procedures specified therein and may impose reasonable and appropriate conditions and safeguards upon these permits. Where appropriate, such conditions may include requirements that street and utility rights-of-way be dedicated to the public and that provision be made of recreational space and facilities. When issuing or denying special use permits or conditional use permits, the city council shall follow the procedures for boards of adjustment except that no vote greater than a majority vote shall be required for the city council to issue such permits, and every such decision of the city council shall be subject to review by the superior court by proceedings in the nature of certiorari. Any petition for review by the superior court shall be filed with the clerk of superior court within 30 days after the decision of the city council is filed in such office as the ordinance specifies, or after a written copy thereof is delivered to every aggrieved party who has filed a written request for such copy with the clerk at the time of the hearing of the case, whichever is later. The decision of the city council may be delivered to the aggrieved party either by personal service or by registered mail or certified mail return receipt requested."

Sec. 12. G.S. 153A-340 reads as rewritten:

"§ *153A-340. Grant of power.*--For the purpose of promoting health, safety, morals, or the general welfare, a county may regulate and restrict

~~(1) The height, number of stories, and size of buildings and other structures,~~

~~(2) The percentage of lot that may be occupied,~~

~~(3) The size of yards, courts, and other open spaces,~~

~~(4) The density of population, and~~

~~(5) The location and use of buildings, structures, and land for trade, industry, residence, or other purposes, except farming.~~ the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population, and the location and use of buildings, structures, and land for trade, industry, residence, or other purposes, and to provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11.

These regulations may not affect bona fide farms, but any use of farm property for nonfarm purposes is subject to the regulations. The regulations may provide that a board of adjustment may determine and vary their application in harmony with their general purpose and intent and in accordance with general or specific rules therein contained. The regulations may also provide that the board of

adjustment or the board of commissioners may issue special use permits or conditional use permits in the classes of cases or situations and in accordance with the principles, conditions, safeguards, and procedures specified therein and may impose reasonable and appropriate conditions and safeguards upon these permits. Where appropriate, the conditions may include requirements that street and utility rights-of-way be dedicated to the public and that recreational space be provided. When issuing or denying special use permits or conditional use permits, the board of commissioners shall follow the procedures for boards of adjustment except that no vote greater than a majority vote shall be required for the board of commissioners to issue such permits, and every such decision of the board of commissioners shall be subject to review by the superior court by proceedings in the nature of certiorari.

A county may regulate the development over estuarine waters and over lands covered by navigable waters owned by the State pursuant to G.S. 146-12, within the bounds of that county.

For the purpose of this section, the term 'structures' shall include floating homes. Any petition for review by the superior court shall be filed with the clerk of superior court within 30 days after the decision of the board of commissioners is filed in such office as the ordinance specifies, or after a written copy thereof is delivered to every aggrieved party who has filed a written request for such copy with the clerk at the time of the hearing of the case, whichever is later. The decision of the board of commissioners may be delivered to the aggrieved party either by personal service or by registered mail or certified mail return receipt requested."

Sec. 13. G.S. 160A-306(a) reads as rewritten:

"(a) A city shall have authority to (i) classify all or a portion of the streets in the city according to their size, present and anticipated traffic loads, and other characteristics relevant to the achievement of the purposes of this section, and (ii) establish by ordinance minimum distances that buildings and other permanent structures or improvements constructed along each class or type of street shall be set back from the right-of-way line or the center line ~~of the street~~ of an existing or proposed street. Portions of any street may be classified in a manner different from other portions of the same street where the characteristics of the portions differ."

Sec. 14. G.S. 160A-306(c) reads as rewritten:

"(c) A setback-line ordinance shall permit affected property owners to appeal to the council for variance or modification of setback requirements as they apply to a particular piece of property. The

council may vary or modify the requirements upon a showing that

(1) The peculiar nature of the property results in practical difficulties or unnecessary hardships that impede carrying out the strict letter of the requirement,

(2) The property will not yield a reasonable return or cannot be put to reasonable use unless relief is granted, and

(3) Balancing the public interest in enforcing the setback requirements and the interest of the owner, the grant of relief is required by considerations of justice and equity.

In granting relief, the council may impose reasonable and appropriate conditions and safeguards to protect the interest of neighboring properties. The council may delegate authority to hear appeals under setback-line ordinances to ~~a board established~~ any authorized body to hear appeals under zoning ordinances. If this is done, appeal to the council from the board shall be governed by the same laws and rules as appeals from decisions granting or denying variances or modifications under the zoning ordinance."

Sec. 15. Chapter 153A of the General Statutes is amended by adding a new section to read:

"§ *153A-326. Building setback lines.*--Counties shall have the same authority to regulate building setback lines as is provided for cities in G.S. 160A-306."

Sec. 16. G.S. 160A-307 reads as rewritten:

"§ *160A-307. Curb cut regulations.*--A city may by ordinance regulate the size, location, direction of traffic flow, and manner of construction of driveway connections into any street or alley. The ordinance may require the construction or reimbursement of the cost of construction and public dedication of medians, acceleration and deceleration lanes, and traffic storage lanes for driveway connections into any street or alley if:

(1) the need for such improvements is reasonably attributable to the traffic using the driveway; and

(2) the improvements serve the traffic of the driveway.

No street or alley under the control of the Department of Transportation may be improved without the consent of the Department of Transportation. However, if there is a conflict between the written driveway regulations of the Department of Transportation and the related driveway improvements required by the city, the more stringent requirement shall apply."

Sec. 17. G.S. 153A-331 is amended by inserting a new paragraph between the first and second paragraphs to read:

"The ordinance may provide that in lieu of required street construction, a developer may provide funds to be used for the development of roads to serve the occupants, residents, or invitees of the subdivision or development. All funds received by the county under this section shall be transferred to the municipality to be used solely for the development of roads, including design, land acquisition, and construction. Any municipality receiving funds from a county under this section is authorized to expend such funds outside its corporate limits for the purposes specified in the agreement between the municipality and the county. Any formula adopted to determine the amount of funds the developer is to pay in lieu of required street construction shall be based on the trips generated from the subdivision or development. The ordinance may require a combination of partial payment of funds and partial dedication of constructed streets when the governing body of the county determines that a combination is in the best interest of the citizens of the area to be served."

Sec. 18. G.S. 160A-372 is amended by adding a new paragraph at the end to read:

"The ordinance may provide that in lieu of required street construction, a developer may be required to provide funds that the city may use for the construction of roads to serve the occupants, residents, or invitees of the subdivision or development and these funds may be used for roads which serve more than one subdivision or development within the area. All funds received by the city pursuant to this paragraph shall be used only for development of roads, including design, land acquisition, and construction. However, a city may undertake these activities in conjunction with the Department of Transportation under an agreement between the city and the Department of Transportation. Any formula adopted to determine the amount of funds the developer is to pay in lieu of required street construction shall be based on the trips generated from the subdivision or development. The ordinance may require a combination of partial payment of funds and partial dedication of constructed streets when the governing body of the city determines that a combination is in the best interests of the citizens of the area to be served."

Sec. 19. Chapter 136 of the General Statutes is amended by adding a new Article to read:

"Article 2E.

"Roadway Corridor Official Map Act.

"§ *136-44.50. Roadway corridor official map act.*--(a) A roadway corridor official map may be adopted or amended by the governing board of any city within its corporate limits and the extraterritorial

jurisdiction of its building permit issuance and subdivision control ordinances or by the Board of Transportation. No roadway corridor official map shall be adopted or amended, nor may any property be regulated under this Article until:

(1) The governing board of the city or the Department of Transportation in each county affected by the map, has held a public hearing on the proposed map or amendment. Notice of the hearing shall be provided:

a. By publication at least once a week for four successive weeks prior to the hearing in a newspaper having general circulation in the county in which the roadway corridor to be designated is located.

b. By two week written notice to the Secretary of Transportation, the Chairman of the Board of County Commissioners, and the Mayor of any city or town through whose corporate or extraterritorial jurisdiction the roadway corridor passes.

c. By posting copies of the proposed roadway corridor map or amendment at the courthouse door for at least 21 days prior to the hearing date. The notice required in sub-subdivision a. above shall make reference to this posting.

(2) A permanent certified copy of the roadway corridor official map or amendment has been filed with the register of deeds. The boundaries may be defined by map or by written description, or a combination thereof. The copy shall measure approximately 20 inches by 12 inches, including no less than one and one-half inches binding space on the left-hand side.

(b) Roadway corridor official maps and amendments shall be distributed and maintained in the following manner:

(1) A copy of the official map and each amendment thereto shall be filed in the office of the city clerk for municipal-adopted maps, or in the office of the district engineer for State-adopted maps.

(2) A copy of the official map, each amendment thereto and any variance therefrom granted pursuant to G.S. 136-44.52 shall be furnished to the tax supervisor of any county and tax collector of any city affected thereby. The portion of properties embraced within a roadway corridor and any variance granted shall be clearly indicated on all tax maps maintained by the county or city for such period as the designation remains in effect.

(3) Notwithstanding any other provision of law, the certified copy filed with the register of deeds shall be placed in a book maintained for that purpose and cross-indexed by number of road, street name, or other appropriate description. The register of deeds shall collect a fee of five dollars ($5.00) for each map sheet or page recorded.

(c) No roadway corridor or any portion thereof placed on an official map shall be effective unless:

(1) The roadway corridor or a portion thereof appears on the Transportation Improvement Program adopted by the Board of Transportation under G.S. 143B-350(f)(4); or

(2) The roadway corridor or a portion thereof appears on the street system plan adopted pursuant to G.S. 136-66.2, and the adopting city or town has adopted a capital improvements plan of 10 years or shorter duration which shows the estimated cost of acquisition and construction of the designated roadway corridor and the anticipated financing for that project.

(d) Within one year following the establishment of a roadway corridor official map or amendment, work shall begin on an environmental impact statement or preliminary engineering. The failure to begin work within the one-year period shall constitute an abandonment of the corridor, and the provisions of this Article shall no longer apply to properties or portions of properties embraced within the roadway corridor.

"§ *136-44.51. Effect of roadway corridor official map.*--(a) After a roadway corridor official map is filed with the register of deeds, no building permit shall be issued for any building or structure or part thereof located within the roadway corridor, nor shall approval of a subdivision, as defined in G.S. 153A-335 and G.S. 160A-376, be granted with respect to property within the roadway corridor. The district engineer of the Highway District in which the roadway corridor is located shall be notified within 10 days of all requests for building permits or subdivision approval within the roadway corridor. The provisions of this section shall not apply to valid building permits issued prior to the effective date of this section, or to building permits for buildings and structures which existed prior to the filing of the roadway corridor provided the size of the building or structure is not increased and the type of building code occupancy as set forth in the North Carolina Building Code is not changed.

(b) No application for building permit issuance or subdivision plat approval shall be delayed by the provisions of this section for more than three years from the date of its original submittal.

"§ *136-44.52. Variance from roadway corridor official map.*--(a) The Department of Transportation or the city which initiated the roadway corridor official map shall establish procedures for considering petitions for variance from the requirements of G.S. 136-44.51.

(b) The procedure established by the State shall provide for written notice to the Mayor and Chairman of the Board of County Commissioners of any affected city or county, and for the hearing to be held in the county where the affected property is located.

(c) Cities may provide for petitions for variances to be heard by the board of adjustment or other boards or commissions which can hear variances authorized by G.S. 160A-388. The procedures for boards of adjustment shall be followed except that no vote greater than a majority shall be required to grant a variance.

(d) A variance may be granted upon a showing that:

(1) Even with the tax benefits authorized by this Article, no reasonable return may be earned from the land; and

(2) The requirements of G.S. 136-44.51 result in practical difficulties or unnecessary hardships.

"§ *136-44.53. Advance acquisition of right-of-way within the roadway corridor.*--(a) After a roadway corridor official map is filed with the register of deeds, the Department of Transportation or the city which initiated the roadway corridor official map is authorized to make advanced acquisition of specific parcels of property when such acquisition is determined by the respective governing board to be in the best public interest to protect the roadway corridor from development or when the roadway corridor official map creates an undue hardship on the affected property owner.

(b) Prior to making any such advanced acquisition of right-of-way under the authority of this Article, the Board of Transportation or the respective municipal governing board which initiated the roadway corridor official map shall develop and adopt appropriate policies and procedures to govern such advanced acquisition of right-of-way and to assure such advanced acquisition is in the best overall public interest.

(c) When a city makes an advanced right-of-way acquisition of property within a roadway corridor official map for a street or highway that has been determined to be a State responsibility pursuant to the provisions of G.S. 136-66.2, the Department of Transportation shall reimburse the city for the cost of such advanced right-of-way acquisition at the time the street or highway is constructed. The Department of Transportation shall have no responsibility to reimburse a municipality for any advanced right-of-way acquisition for a street or highway that has not been designated a State responsibility pursuant to

the provisions of G.S. 136-66.2 prior to the initiation of the advanced acquisition by the city. The city shall obtain the concurrence of the Department of Transportation in all instances of advanced acquisition.

(d) In exercising the authority granted by this section, a municipality is authorized to expend municipal funds for the protection of rights-of-way shown on a duly adopted roadway corridor official map whether the right-of-way to be acquired is located inside or outside the municipal corporate limits."

Sec. 20. G.S. 47-30(l) reads as rewritten:

"(l) The provisions of this section shall not apply to the registration of highway right-of-way plans provided for in G.S. 136-19.4 nor to registration of roadway corridor official maps provided in Article 2E of Chapter 136."

Sec. 21. G.S. 136-102.6 is amended:

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting a new subsection (j) to read:

"(j) The Division of Highways and district engineers of the Division of Highways of the Department of Transportation shall issue a certificate of approval for any subdivision affected by a roadway corridor official map established by the Board of Transportation only if the subdivision conforms to Article 2E of this Chapter or conforms to any variance issued in accordance with that Article."

Sec. 22. Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ *105-277.9. Taxation of property inside certain roadway corridors.*--Real property that lies within a roadway corridor marked on an official map filed under Article 2E of Chapter 136 of the General Statutes is designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and is taxable at twenty percent (20%) of the general tax rate levied on real property by the taxing unit in which the property is situated if:

(1) As of January 1, no building or other structure is located on the property; and

(2) The property has not been subdivided, as defined in G.S. 153A-335 or G.S. 160A-376, since it was included in the corridor."

Sec. 23. Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ *160A-458.3. Designation of roadway corridor official maps.*--Any city may establish roadway corridor official maps and may enact and enforce ordinances pursuant to Article 2E of Chapter 136 of the General Statutes."

Sec. 24. Article 5A of Chapter 120 of the General Statutes is amended by adding a new section to read:

"§ *120-19.9. Local acts affecting State highway system to be considered by transportation committees.*--Any local bill affecting the State highway system shall, prior to its passage, be referred to a committee of either the House or Senate charged with the responsibility of examining bills or issues related to transportation or to the State highway system."

Sec. 25. As used in this act the word "municipality" means a "city" as defined by G.S. 160A-1.

Sec. 26. The provisions of this act are severable, and if any provision of this act is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions of the act which can be given effect without the invalid provision.

Sec. 27. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 1224 **CHAPTER 748**

AN ACT TO EMPOWER LOCAL GOVERNMENTS TO ASSESS CIVIL PENALTIES FOR VIOLATIONS OF AIR POLLUTION CONTROL REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-215.112(d) is amended by adding a new subdivision to read:

"(1a) Each governing body, or its authorized agent, shall have the power to assess civil penalties under G.S. 143-215.114(a). Any person assessed shall be notified of the assessment by registered or certified mail, and the notice shall specify the reasons for the assessment. If the person assessed fails to pay the amount of the assessment to the governing body or its authorized agent within 30 days after receipt of notice, or such longer period not to exceed 180 days as the governing body or its authorized agent may specify, the governing body may institute a civil action in the superior court of the county in which the violation occurred, to recover the amount of the assessment. Each day of continuing violation after written notification from the governing body or its authorized agent shall be considered a separate offense. In determining the amount of the penalty, the governing body or its authorized agent shall consider the degree and extent of harm caused by the violation, the cost of rectifying the damage, and the amount of money the violator saved by not having made the necessary expenditures to comply with the appropriate

pollution control requirements."

Sec. 2. G.S. 143-215.114(a)(1)f. reads as rewritten:

"f. Violates any duly adopted regulation of the Environmental Management Commission or a local governing body implementing the provisions of this Article."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 393 **CHAPTER 749**

AN ACT TO PROVIDE FOR RETURN OF CLIENTS TO 24-HOUR FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-205 is rewritten to read:

"§ *122C-205. Return of clients to 24-hour facilities.*--(a) When a client of a 24-hour facility who:

(1) has been involuntarily committed;
(2) is being detained pending a judicial hearing;
(3) has been voluntarily admitted but is a minor or incompetent adult;
(4) has been placed on conditional release from the facility; or
(5) has been involuntarily committed or voluntarily admitted and is the subject of a detainer placed with the 24-hour facility by an appropriate official

escapes or breaches a condition of his release, if applicable, the responsible professional shall notify or cause to be notified immediately the appropriate law enforcement agency in the county of residence of the client, the appropriate law enforcement agency in the county where the facility is located, and the appropriate law enforcement agency in any county where there are reasonable grounds to believe that the client may be found. The responsible professional shall determine the amount of personal identifying and background information reasonably necessary to divulge to the law enforcement agency or agencies under the particular circumstances involved in order to assure the expeditious return of the client to the 24-hour facility involved and protect the general public.

(b) When a competent adult who has been voluntarily admitted to a 24-hour facility escapes or breaches a condition of his release, the responsible professional, in the exercise of accepted professional judgment, practice, and standards, will determine if it is reasonably

foreseeable that:

(1) the client may cause physical harm to others or himself;

(2) the client may cause damage to property;

(3) the client may commit a felony or a violent misdemeanor; or

(4) that the health or safety of the client may be endangered

unless he is immediately returned to the facility. If the responsible professional finds that any or all of these occurrences are reasonably foreseeable, he will follow the same procedures as those set forth in subsection (a) of this section.

(c) Upon receipt of notice of an escape or breach of a condition of release as described in subsections (a) and (b) of this section, an appropriate law enforcement officer shall take the client into custody and have the client returned to the 24-hour facility from which the client has escaped or has been conditionally released. Transportation of the client back to the 24-hour facility shall be provided in the same manner as described in G.S. 122C-251 and G.S. 122C-408(b). Law enforcement agencies who are notified of a client's escape or breach of conditional release shall be notified of the client's return by the responsible 24-hour facility. Under the circumstances described in this section, the initial notification by the 24-hour facility of the client's escape or breach of conditional release shall be given by telephone communication to the appropriate law enforcement agency or agencies and, if available and appropriate, by Division of Criminal Information (DCI) message to any law enforcement agency in or out of state and by entry into the National Crime Information Center (NCIC) telecommunications system. As soon as reasonably possible following notification, written authorization to take the client into custody shall also be issued by the 24-hour facility. Under this section, law enforcement officers shall have the authority to take a client into custody upon receipt of the telephone notification or Division of Criminal Information message prior to receiving written authorization. The notification of a law enforcement agency does not, in and of itself, render this information public information within the purview of Chapter 132 of the General Statutes. However, the responsible law enforcement agency shall determine the extent of disclosure of personal identifying and background information reasonably necessary, under the circumstances, in order to assure the expeditious return of a client to the 24-hour facility involved and to protect the general public and is authorized to make such disclosure. The responsible law enforcement agency may also place any appropriate message or entry into either the Division of Criminal

Information System or National Crime Information System, or both, as appropriate.

(d) In the situations described in subsections (a) and (b) of this section, the responsible professional shall also notify or cause to be notified as soon as practicable:

(1) the next of kin of the client or legally responsible person for the client;

(2) the clerk of superior court of the county of commitment of the client;

(3) the area authority of the county of residence of the client, if appropriate;

(4) the physician or eligible psychologist who performed the first examination for a commitment of the client, if appropriate; and

(5) any official who has placed a detainer on a client as described in subdivision (a)(5) of this section

of the escape or breach of condition of the client's release upon occurrence of either action and of his subsequent return to the facility."

Sec. 2. G.S. 122C-52(d) is amended by inserting the phrase "G.S. 122C-205 and" immediately following the phrase "no provision of" and immediately preceding the phrase "G.S. 122C-53 through G.S. 122C-56".

Sec. 3. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 475 **CHAPTER 750**

AN ACT TO MAKE CERTAIN CHANGES IN THE INVOLUNTARY COMMITMENT OF SUBSTANCE ABUSERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-290(b) is rewritten to read:

"(b) If the respondent whose treatment is provided on an outpatient basis fails to comply with all or part of the prescribed treatment after reasonable effort to solicit the respondent's compliance, the area authority or physician may request the clerk or magistrate to order the respondent taken into custody for the purpose of examination. Upon receipt of this request, the clerk or magistrate shall issue an order to a law enforcement officer to take the respondent into custody and to take him immediately to the designated area authority or physician for examination. The law enforcement officer shall turn the respondent over to the custody of the physician or area authority who shall

conduct the examination and release the respondent or have the respondent taken to a 24-hour facility upon a determination that treatment in the facility will benefit the respondent. Transportation to the 24-hour facility shall be provided as specified in G.S. 122C-251, upon notice to the clerk or magistrate that transportation is necessary, or as provided in G.S. 122C-408(b). If placement in a 24-hour facility is to exceed 45 consecutive days, the area authority or physician shall notify the clerk of court by the 30th day and request a supplemental hearing as specified in G.S. 122C-291."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 489 **CHAPTER 751**

AN ACT TO EXPAND AND CLARIFY THE INVESTMENT AUTHORITY OF THE STATE TREASURER.

The General Assembly of North Carolina enacts:

Section 1. The fifth sentence of G.S. 147-69 is repealed.

Sec. 2. G.S. 147-69.1(c) is rewritten to read:

"(c) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (b) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

(1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States;

(2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service, the Export-Import Bank, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the Student Loan Marketing Association.

(3) Repurchase Agreements with respect to securities issued or guaranteed by the United States government or its agencies

or other securities eligible for investment by this section executed by a bank or trust company or by primary or other reporting dealers to the Federal Reserve Bank of New York.

(4) Obligations of the State of North Carolina;

(5) a. Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Administrator of the Savings and Loan Division of the Department of Commerce of the State of North Carolina, be fully collateralized;

b. Certificates of deposit issued by banks organized under the laws of the State of North Carolina, or by any national bank having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, be fully collateralized;

c. With respect to savings certificates and certificates of deposit, the rate of return or investment yield may not be less than that available in the market on United States government or agency obligations of comparable maturity;

d. Shares of or deposits in any savings and loan association organized under the laws of the State of North Carolina, or any federal savings and loan association having its principal office in North Carolina; provided that any moneys invested in such shares or deposits in excess of the amount insured by the federal government or an agency thereof, or by a mutual deposit guaranty association authorized by the Administrator of the Savings and Loan Division of the Department of Commerce of the State of North Carolina, be fully secured by surety bonds, or be fully collateralized.

e. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.

f. Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.

g. Asset-backed securities (whether considered debt or equity) provided they bear the highest rating of at least one nationally recognized rating service and do not bear a rating below the highest rating by any nationally recognized rating service which rates the particular securities.

h. Corporate bonds and notes provided they bear the highest rating of at least one nationally recognized rating service and do not bear a rating below the highest by any nationally recognized rating service which rates the particular obligation."

Sec. 3. G.S. 147-69.1 is amended by adding a new subsection to read:

"(f) The Treasurer may also invest the cash of the General Fund and the Highway Fund in excess of the amount required to meet the current needs and demands on those funds in investments in limited partnership interests in partnerships which are managed primarily for the purpose of investment in venture capital or corporate buyout transactions; provided, that the investment authorized by this subsection shall not exceed three percent (3%) of the cash balance as shown on the records of the State Treasurer for the General Fund and the Highway Fund."

Sec. 4. G.S. 147-69.1 is amended by adding a new subsection to read:

"(g) If and to the extent the General Assembly shall authorize the sale of all or any part of the stock owned by the State in the North Carolina Railroad Company or the Atlantic and North Carolina Railroad Company, the proceeds of any sale shall be separately accounted for and invested as expressly directed by the General Assembly, but in the absence of any express direction as to investment, the proceeds may be invested as authorized by this section."

Sec. 5. G.S. 147-69.2 is rewritten to read:

"§ *147-69.2. Investments authorized for special funds held by State Treasurer.*--(a) This section applies to funds held by the State Treasurer to the credit of:

(1) The Teachers' and State Employees' Retirement System,

(2) The Consolidated Judicial Retirement System,

(3) The Teachers' and State Employees' Hospital and Medical Insurance Plan,

(4) The General Assembly Medical and Hospital Care Plan,

(5) The Disability Salary Continuation Plan,

(6) The Firemen's and Rescue Workers' Pension Fund,

(7) The Local Governmental Employees' Retirement System,

(8) The Legislative Retirement System,

(9) The Escheat Fund,

(10) The Legislative Retirement Fund,

(11) The State Education Assistance Authority,

(12) The State Property Fire Insurance Fund,

(13) The Stock Workmen's Compensation Fund,

(14) The Mutual Workmen's Compensation Fund,

(15) The Public School Insurance Fund,

(16) The Liability Insurance Trust Fund,

(17) Trust funds of The University of North Carolina and its constituent institutions deposited with the State Treasurer pursuant to G.S. 116-36.1, and

(18) Any other special fund created by or pursuant to law for purposes other than meeting appropriations made pursuant to the Executive Budget Act.

(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

(1) Any of the investments authorized by G.S. 147.69.1(c);

(2) General obligations of other states of the United States;

(3) General obligations of cities, counties and special districts in North Carolina;

(4) Obligations of any company, other organization or legal entity incorporated or otherwise created or located within or without the United States if such obligations bear one of the three highest ratings of at least one nationally recognized rating service and do not bear a rating below the three highest by any nationally recognized rating service which rates the particular security;

(5) Notes secured by mortgages insured by the Federal Housing Administration or guaranteed by the Veterans

Administration on real estate located within the State of North Carolina;

(6) Asset-backed securities (whether considered debt or equity) provided they bear ratings by nationally recognized rating services as provided in G.S. 147-69.2(b)(4) and that they do not bear a rating below the three highest by any nationally recognized rating service which rates the particular securities;

(7) With respect to Retirement Systems' assets referred to in G.S. 147-69.2(b)(8), (i) insurance contracts which provide for participation in individual or pooled separate accounts of insurance companies, (ii) group trusts, (iii) individual, common or collective trust funds of banks and trust companies and (iv) real estate investment trusts; provided the investment manager has assets under management of at least one hundred million dollars ($100,000,000); provided such investment assets are managed primarily for the purpose of investing in or owning real estate or related debt financing located in the United States; and provided that the investment authorized by this subsection shall not exceed ten percent (10%) of the book value of all invested assets of the Retirement Systems;

(8) With respect to assets of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, the Firemen's and Rescue Workers' Pension Fund, the Local Governmental Employees' Retirement System, and the Legislative Retirement System (hereinafter referred to collectively as the Retirement Systems), preferred or common stocks issued by any company incorporated or otherwise created or located within or without the United States, provided:

a. That common stock or preferred stock of such corporation is registered on a national securities exchange as provided in the Federal Securities Exchange Act or quoted through the National Association of Securities Dealers' Automated Quotations (NASDAQ) system;

b. That such corporation shall have paid a cash dividend on its common stock in each year of the 5-year period next preceding the date of investment and the aggregate net earnings available for dividends on the common stock of such corporation for the whole of such period shall have been at least equal to the amount of such dividends paid;

c. That in applying the dividend and earnings test under this section to any issuing, assuming, or guaranteeing corporation, where such corporation shall have acquired its property or any substantial part thereof within a five-year period immediately preceding the date of investment by consolidation, merger, or by the purchase of all or a substantial portion of the property of any other corporation or corporations, or shall have acquired the assets of any unincorporated business enterprise by purchase or otherwise, the dividends and net earnings of the several predecessor or constituent corporations or enterprises shall be consolidated and adjusted so as to ascertain whether or not the applicable requirements of this section have been complied with;

d. That the book value of common and preferred stocks including securities convertible into common stocks shall not exceed fifty per centum (50%) of the book value of all invested assets of the Retirement Systems; provided, further:

1. Not more than one and one-half per centum (1 1/2%) of the book value of such assets shall be invested in the stock of a single corporation, and provided further;
2. The total number of shares in a single corporation shall not exceed eight per centum (8%) of the issued and outstanding stock of such corporation, and provided further;
3. As used in this subdivision d. and elsewhere in this section, book value shall mean adjusted cost basis as shown on the records of the State Treasurer.

e. Up to five per cent (5%) of the limits authorized in subdivision d. may be invested in the stocks or shares of a diversified investment company registered under the 'Investment Company Act of 1940' which has total assets of at least fifty million dollars ($50,000,000).

f. Individual, common or collective trust funds of banks or trust companies provided that the investment manager has assets under management of at least one hundred million dollars ($100,000,000).

g. That investments may be made in securities convertible into common stocks issued by any such company, if such securities bear one of the four highest ratings of at least one nationally recognized rating service and do not

bear a rating below the four highest by any nationally recognized rating service which may then rate the particular security."

Sec. 6. G.S. 147-69.3(d) is amended by deleting the word "interest" and substituting "net income".

Sec. 7. G.S. 147-69.3(f) is rewritten to read:

"(f) The cost of administration, management, and operation of investment programs established pursuant to this section shall be apportioned equitably among the programs in such manner as may be prescribed by the State Treasurer, such costs to be paid from each program, and to the extent not otherwise chargeable directly to the income or assets of the specific investment program or pooled investment vehicle, shall be deposited with the State Treasurer as a General Fund nontax revenue. The cost of administration, management, and operation of investment programs established pursuant to this section and not directly paid from the income or assets of such program shall be covered by an appropriation to the State Treasurer for this purpose in the Current Operations Appropriations Act."

Sec. 8. G.S. 147-69.3(i) is amended by adding the following sentence at the end:

"The State Treasurer shall also establish annual investment yield targets for all moneys invested by virtue of the provisions of G.S. 147-69.1 and G.S. 147-69.2, and shall include in his annual report a statement of the extent that these targets have been reached."

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

S.B. 513 **CHAPTER 752**

AN ACT TO MAKE VARIOUS SUBSTANTIVE CHANGES AND IMPROVEMENTS IN THE INSURANCE LAWS AND TO EXPRESSLY AUTHORIZE THE RECODIFICATION OF INSURANCE AND RELATED LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-26 is amended by adding a new subsection to read:

"(e) Whenever the Commissioner deems it to be prudent for the protection of policyholders in this State, he or any other authorized employee described in G.S. 58-7.3 shall visit and examine any insurance agency, agent, broker, adjuster, motor vehicle damage appraiser, or producer of record, which shall pay the proper charges

incurred in the examination, including the expenses and compensation of the Commissioner or his authorized employee. Such expenses shall not exceed the per diem and allowances specified in G.S. 138-5; provided, the collection of such expense and allowance may, in the discretion of the Commissioner, be waived. The refusal of any agency, agent, broker, adjuster, motor vehicle damage appraiser, or producer of record to submit to examination or to pay the expenses of examination upon presentation of a bill therefor by the Commissioner or his authorized employee, is grounds for the revocation or refusal of a license. The Commissioner may institute a civil action to recover the expenses of examination against any person that refuses or fails to pay the expenses."

Sec. 2. G.S. 14-96.1 reads as rewritten:

"§ *14-96.1. Report to Commissioner.*--Whenever any insurance company, its manager, general agent or other representative knows or has reasonable cause to believe that any agent, broker or other representative of such company ~~is guilty under~~ has violated ~~the preceding section [G.S. 14-96]~~ G.S. 14-96 or G.S. 14-213 through G.S. 14-216, it shall be the duty of such company, its manager, general agent or other representative, within 30 days after acquiring such knowledge to file with the Commissioner a complete statement of all the relevant facts and circumstances. All such reports shall be privileged communications, and when filed in good faith shall in nowise subject the company or individuals making the same to any liability whatsoever. The Commissioner may suspend the license to do business in this State of any insurance company, its general manager, agent or other representative who willfully fails to comply with this section."

Sec. 3. The catch line of G.S. 58-9.7 reads as rewritten:

"§ *58-9.7. Civil penalties or restitution for violations; summary suspension of license or certificate.*"

Sec. 4. G.S. 58-9.7(g) reads as rewritten:

"(g) Nothing in this section shall prevent the Commissioner from negotiating a mutually acceptable agreement with any person as to the status of the person's license or certificate or as to any civil penalty or restitution~~; and to submit such agreement with respect to any civil penalty or restitution to the court pursuant to subsections (d) and (e) of this section for the court's adoption and approval~~."

Sec. 5. G.S. 58-9.7 is amended by adding a new subsection to read:

"(h) Notwithstanding subsection (b) of this section, if the Commissioner finds that the public health, safety, or welfare requires emergency action and incorporates this finding in his order, summary suspension of a license or certificate may be ordered effective on the

date specified in the order or on service of the certified copy of the order at the last known address of the licensee, whichever is later, and effective during the proceedings to suspend, revoke, or refuse renewal provided for in subsection (b) of this section. The proceedings shall be promptly commenced and determined."

Sec. 6. G.S. 58-433 is amended by adding a subsection to read:

"(e) Any person who does not renew a surplus lines license and applies for another surplus lines license more than one year after the expiration date of the previous license shall be required to satisfy every condition in this section, including the written exam, before the Commissioner issues another surplus lines license to that person."

Sec. 7. G.S. 58-54 reads as rewritten:

"§ *58-54. Forms to be approved by Commissioner of Insurance.*--It is unlawful for any insurance company doing business in this State to issue, sell, or dispose of any policy, contract, or certificate, or use applications in connection therewith, until the forms of the same have been submitted to and approved by the Commissioner of Insurance of North Carolina, and copies filed in the Insurance Department. If a policy form filing is disapproved by the Commissioner, the Commissioner may return the filing to the filer. As used in this section, 'policy form' includes endorsements, riders, or amendments to policies that have already been approved by the Commissioner."

Sec. 8. Chapter 58 of the General Statutes is amended by adding the following Article:

"ARTICLE 44.

"Managing General Agents.

"§ *58-575. Agency contracts.*--(a) Any domestic insurer that contracts with any person whereby such person is granted the right or privilege to solicit, procure, write, or produce a major part of the insurance business for such insurer and collect premiums therefor shall file such contract with the Commissioner within 15 days from the execution of such contract or within 60 days following the end of any calendar quarter in which such person produces a major portion of the insurer's insurance business. For the purposes of this section, any person who produces in excess of five percent (5%) of an insurer's insurance premium volume during any one calendar quarter shall be deemed as having been granted the privilege of producing a major portion of such insurer's business. Failure of the Commissioner to disapprove any such contract within 30 days after the same shall be filed with him, shall constitute his approval thereof. An

insurer may continue to accept business from such person until such contract is disapproved by the Commissioner. Such disapproval shall be in writing, stating the reasons therefor, and a copy thereof shall be delivered to the company.

(b) The Commissioner shall not approve any such contract that:

(1) subjects the insurer to excessive charges for expenses or commission;

(2) vests in the agent or agency company any control over the management of the affairs of the insurer to the exclusion of the board of directors of the insurer;

(3) gives to such person, the right to solicit, procure, write, or produce a major part of the insurance business for such insurer and collect and hold the premiums for such unreasonable period as may jeopardize the security of policyholders; or

(4) fails to require such person to make available to the Commissioner or his designees all books, records, and documents pertaining to such person's insurance business.

(c) The Commissioner shall not approve any contract with any person if such person or its officers and directors are of known bad character or have been affiliated directly or indirectly through ownership, control, management, reinsurance transactions, or other insurance or business relationships with any person or persons known to have been involved in the improper manipulation of assets, accounts, or reinsurance.

(d) The Commissioner, for the purpose of ascertaining the assets, conditions and affairs of any person having a contract as provided in subsection (a) of this section, may examine the books, records, documents, and assets of such person.

(e) The Commissioner may, after a hearing held pursuant to G.S. 58-9.2, withdraw his approval of any agency contract theretofore approved by him, if he finds that the basis of his original approval no longer exists, or that the contract has, in actual operation, shown itself to be subject to disapproval on any of the grounds referred to in subsections (a) and (b) of this subsection.

(f) As used in this section, 'person' includes different legal entities that are directly or indirectly owned or controlled by the same person.

"§ *58-576. Retrospective compensation agreements.*--(a) Retrospective compensation agreements for business written under this Chapter must be filed with the Commissioner for his approval.

(b) 'Retrospective compensation agreement' means any such arrangement, agreement, or contract having as its purpose the actual or constructive retention by the insurer of a fixed proportion of the gross premiums, with the balance of the premiums, retained actually or constructively by the agent or the producer of the business, who assumes to pay therefrom all losses, all subordinate commissions, loss adjustment expenses and his profit, if any, with other provisions of such arrangement, agreement, or contract auxiliary or incidental to such purpose.

(c) The standards for approval shall be as set forth under G.S. 58-575.

"§ *58-577. Management contracts.*--(a) All agreements or contracts under which any person is delegated management duties or control of any insurer, or which transfer a substantial part of any major function of an insurer such as adjustment of losses, production of business, investment of assets, or general servicing of the insurer's business must be filed with the Commissioner on or before the effective date of such contract or agreement.

(b) There shall be exempted from the filing requirement of this section contracts by groups of affiliated insurers on a pooled funds basis or service company management basis, where costs to the individual member insurers are charged on an actually incurred or closely estimated basis. However, these contracts must be reduced to written form.

G.S. 58-576, 58-577, and 58-578 do not apply to any power of attorney or other authority authorized by G.S. 58-138.

"§ *58-578. Grounds for disapproval.*--(a) The Commissioner must disapprove any such management contract or service agreement if, at any time, he finds:

(1) that the service or management charges are based upon criteria unrelated either to the managed insurer's profits or to the reasonable customary and usual charges for such services or are based on factors unrelated to the value of such services to the insurer; or

(2) that management personnel or other employees of the insurer are to be performing management functions and receiving any remuneration therefor through the management or service contract in addition to the compensation by way of salary received directly from the insurer for their services; or

(3) that the contract would transfer substantial control of the insurer or any of the powers vested in the board of directors, by statute, articles of incorporation, or bylaws, or substantially all of the basic functions of the insurance

company management; or

(4) that the contract contains provisions that would be clearly detrimental to the best interest of policyholders, stockholders, or members of the insurer; or

(5) that the officers and directors of the management firm are of known bad character or have been affiliated, directly or indirectly, through ownership, control, management, reinsurance transactions, or other insurance or business relations with any person or persons known to have been involved in the improper manipulation of assets, accounts, or reinsurance.

(b) If the Commissioner disapproves of any management contract or service agreement, notice of such action shall be given to the insurer assigning the reasons therefor in writing. The Commissioner shall grant any party to the contract a hearing upon request according to G.S. 58-9.2.

"§ *58-579. Supplement to financial statement.*--Any insurer that has a management contract shall file with its financial statement a supplement on forms prescribed by the Commissioner which discloses the following: Salaries, commissions, or any valuable consideration paid to each officer and director of the management company or to any shareholder who owns, directly or indirectly, ten percent (10%) of the shares of either the managed insurer or the management company. Any changes in the officers or directors of the managing company are to be reported to the Commissioner."

Sec. 9. The Attorney General, through the Revisor of Statutes, and the Commissioner of Insurance, through the Legal Division of the Department of Insurance, are authorized to renumber, rearrange, and consolidate the provisions contained in General Statute Chapters 57, 57B, 58, 69, 85C, 109, and 118; in Articles 9B and 9C of General Statute Chapter 66; and in Articles 9A and 9B of General Statute Chapter 143. This authority to recodify these provisions includes the authority to make changes to statutory cross-references that will reflect the results of the recodification. This authority is in addition to the authority contained in G.S. 114-9 granted to the Attorney General to make similar changes in the format of the General Statutes.

Sec. 10. Article 6 of General Statute Chapter 58 is amended by adding the following sections:

"§ *58-75.3. Approval as a domestic insurer.*--Any insurer that is organized under the laws of any other state and is licensed to transact the business of insurance in this State may become a domestic insurer

by (i) complying with laws and regulations regarding the organization and licensing of a domestic insurer of the same type; (ii) designating its principal place of business at a place in this State; and (iii) obtaining the approval of the Commissioner. Such domestic insurer shall be entitled to like certificates of authority to transact business in this State and shall be subject to the authority and jurisdiction of this State. Articles of Incorporation of such domestic insurer may be amended to provide that the corporation is a continuation of the corporate existence of the original foreign corporation through adoption of this State as its corporate domicile and that the original date of incorporation in its original domicilliary state is the date of incorporation of such domestic insurer.

"§ *58-75.4. Conversion to foreign insurer.*--Any domestic insurer may, upon the approval of the Commissioner, transfer its domicile to any other state in which it is licensed to transact the business of insurance. Upon such a transfer such insurer shall cease to be a domestic insurer and shall be licensed in this State, if qualified, as a foreign insurer. The Commissioner shall approve any such proposed transfer unless he determines that such transfer is not in the interest of the policyholders of this State.

"§ *58-75.5. Effects of redomestication.*--The certificate of authority, agent appointments and licenses, rates, and other items that the Commissioner authorizes or grants, in his discretion, that are in existence at the time any insurer licensed to transact the business of insurance in this State transfers its corporate domicile to this or any other state by merger, consolidation, or any other lawful method, shall continue in full force and effect upon such transfer if such insurer remains duly licensed to transact the business of insurance in this State. All outstanding policies of any transferring insurer shall remain in full force and effect and need not be endorsed as to any new name of the insurer or its new location unless so ordered by the Commissioner. Every transferring insurer shall file new policy forms with the Commissioner on or before the effective date of the transfer, but may use existing policy forms with appropriate endorsements if allowed by, and under such conditions as approved by, the Commissioner: Provided, however, every such transferring insurer shall (i) notify the Commissioner of the details of the proposed transfer and (ii) promptly file any resulting amendments to corporate documents filed or required to be filed with the Commissioner."

Sec. 11. G.S. 58-153.1(b)(2) is amended in the second sentence by substituting "four" for "three"; and G.S. 58-154 is amended in the first sentence by substituting "four" for "three" and in the last sentence by substituting "12" for "10".

Sec. 12. G.S. 58-194.3(c) is amended by adding the following sentence to the end:

"When an employee retires from State employment and payroll deduction under this section is no longer available, the insurance company may not terminate life insurance products purchased under the payroll deduction plan without the retiree's specific written consent solely because the premium is no longer deducted from payroll."

Sec. 13. Subchapter IV of Chapter 58 of the General Statutes is amended by adding a new subsection to read:

"§ *58-213.1. Contestability after reinstatement.*--A reinstated policy of life insurance or annuity contract may be contested on account of fraud or misrepresentation of facts material to the reinstatement only for the same period following reinstatement and with the same conditions and exceptions as the policy provides with respect to contestability after original issuance. The reinstatement application shall be deemed to be a part of the policy whether or not attached thereto."

Sec. 14. G.S. 58-210(1)b. reads as rewritten:

"b. The premium for the policy shall be paid by the policyholder, either wholly from the employer's funds or funds contributed by him, or partly from such funds and partly from funds contributed by the insured employees. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured employees. ~~A policy on which part of the premium is to be derived from funds contributed by the insured employees may be placed in force only if at least seventy-five percent (75%) of the then eligible employees, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions.~~ A policy on which part of the premium is to be derived from funds contributed by the insured employees may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured employees must insure all eligible employees, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer."

Sec. 15. G.S. 58-210(2)b. reads as rewritten:

"b. The premium for the policy shall be paid by the policyholder, either from the creditor's funds, or from charges collected from the insured debtors, or from both. ~~A policy on which part or all of the premium is to be derived from the collection from the insured debtors~~

~~or identifiable charges not required of uninsured debtors shall not include, in the class or classes of debtors eligible for insurance, debtors under obligations outstanding at its date of issue without evidence of individual insurability unless at least seventy-five percent (75%) of the then-eligible debtors elect to pay the required charges.~~ A policy on which part or all of the premium is to be derived from the collection from the insured debtors or identifiable charges not required of uninsured debtors shall not include, in the class or classes of debtors eligible for insurance, debtors under obligations outstanding at its date of issue without evidence of individual insurability unless the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from the collection of such identifiable charges must insure all eligible debtors, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer."

Sec. 16. G.S. 58-210(3)b. reads as rewritten:

"b. The premium for the policy shall be paid by the policyholder, either wholly from the union's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. ~~A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least seventy-five percent (75%) of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions.~~ A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer."

Sec. 17. G.S. 58-210(4)b. reads as rewritten:

"b. The premium for the policy shall be paid by the trustee wholly from funds contributed by the participating employer or labor union, or partly from funds contributed by the participating employer or labor union and partly from funds contributed by the insured persons. In no event shall the funds contributed by the participating employer or labor union represent less than twenty-five percent (25%) of the total

cost of the insurance with respect to the insured persons of a participating employer or labor union.

If none of the premium paid by the participating employer or labor union is to be derived from funds contributed by the insured persons specifically for the insurance, all eligible employees of that particular participating employer or labor union must be insured, or all except any as to whom evidence of insurability is not satisfactory to the insurer. Insurance may not be placed into effect for employees of a participating employer or labor union if less than twenty-five percent (25%) of the total cost is paid by the participating employer or labor union.

~~If part of the premium paid by the participating employer or labor union is to be derived from funds contributed by the insured persons specifically for their insurance, coverage may be placed in force on employees of a participating employer or on members of a participating labor union only if at least seventy-five percent (75%) and a minimum of five of the eligible persons in the unit subscribing to the trust, excluding any as to whom evidence of insurability is not satisfactory to the insurer, elect when enrolling to make the required contributions.~~ If part of the premium paid by the participating employer or labor union is to be derived from funds contributed by the insured persons specifically for their insurance, coverage may be placed in force on employees of a participating employer or on members of a participating labor union provided the group is structured on an actuarially sound basis."

Sec. 18. G.S. 58-210(5)c. reads as rewritten:

"c. The premium for the policy shall be paid by the policyholder, either wholly from the association's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance, nor if the Commissioner finds that the rate of such contributions will exceed the maximum rate customarily charged employees insured under like group life insurance policies issued in accordance with the provisions of subdivision (1). ~~A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least seventy-five percent (75%) of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions.~~ A policy on which part of the premium is to be derived from funds contributed by the insured members

specifically for their insurance may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer."

Sec. 19. G.S. 58-254.4(b) reads as rewritten:

"(b) No policy or contract of group accident, group health or group accident and health insurance shall be delivered or issued for delivery in this State unless the group of persons thereby insured conforms to the requirements of the following paragraph:

Under a policy issued to an employer, principal, or to the trustee of a fund established by an employer or two or more employers in the same industry or kind of business, or by a principal or two or more principals in the same industry or kind of business, which employer, principal, or trustee shall be deemed the policyholder, covering, except as hereinafter provided, only employees, or agents, of any class or classes thereof determined by conditions pertaining to employment, or agency, for amounts of insurance based upon some plan which will preclude individual selection. The premium may be paid by the employer, by the employer and the employees jointly, or by the employee; and where the relationship of principal and agent exists, the premium may be paid by the principal, by the principal and agents, jointly, or by the agents. ~~If the premium is paid by the employer and the employees jointly, or by the principal and agents jointly, or by the employees, or by the agents, the group shall comprise not less than seventy-five percent (75%) of all persons eligible of any class or classes of employees, or agents, determined by conditions pertaining to the employment or agency.~~ If the premium is paid by the employer and the employees jointly, or by the principal and agents jointly, or by the employees, or by the agents, the group shall be structured on an actuarially sound basis."

Sec. 20. G.S. 97-106 reads as rewritten:

"§ *97-106. Definitions.*--As hereafter used in this Article, unless the context or subject matter otherwise requires:

'Carrier' means either a stock carrier or a mutual carrier, as the context may require.

'Commissioner' means the Insurance Commissioner of this State.

'Fund' means either the stock fund or the mutual fund as the context may require.

'Funds' mean the stock fund and the mutual fund.

'Fund year' means the calendar year.

'Insolvent stock carrier' or 'insolvent mutual carrier' means a stock carrier or a mutual carrier, as the case may be, which has been determined to be insolvent, or for which or for the assets of which a receiver has been appointed by a court or public officer of competent jurisdiction and authority.

'Mutual carrier' means any mutual corporation or association and any reciprocal or interinsurance exchange authorized to transact the business of workmen's compensation insurance in this State, except an insolvent mutual carrier.

'Mutual fund' means the Mutual Workmen's Compensation Security Fund created by this Article.

'Stock carrier' means any stock corporation authorized to transact the business of workmen's compensation insurance in this State, except an insolvent stock carrier.

'Stock fund' means the Stock Workmen's Compensation Security Fund created by this Article.

'Workmen's Compensation Act' means the Workmen's Compensation Act of the State of North Carolina, being G.S. 97-1 to 97-101 as amended and supplemented or, with respect to claimants or insureds that are residents of this State at the time of the insured event, the Federal Longshoremen's and Harbor Worker's Compensation Act."

Sec. 21. Sections 1 through 6 of this act shall become effective September 1, 1987. Section 20 shall become effective January 1, 1986. The remaining sections of the act are effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of August, 1987.

H.B. 692 **CHAPTER 753**

AN ACT AMENDING THE CITY CHARTER OF THE CITY OF DURHAM WITH RESPECT TO SPECIAL ASSESSMENTS FOR CERTAIN PRESCRIBED IMPROVEMENTS TO PERMIT THE PUBLICATION OF A NOTICE CONCERNING THE MAKING OF SUCH IMPROVEMENTS IN LIEU OF THE PUBLICATION OF A RESOLUTION.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the City of Durham, being Chapter 671, 1975 Session Laws, as amended, is further amended by adding the following new paragraph to subsection 11 of Section 77:

"(g) In lieu of publishing the resolution in the manner prescribed by paragraph (f) of this subsection (11), the city council may publish,

or cause to be published, a notice containing the information specified in paragraph (b) and the first sentence of paragraph (f) of this subsection. If the city council, in its discretion, chooses to publish the notice prescribed by this paragraph in lieu of publishing the resolution prescribed in said subparagraph (f) then such notice shall be published at least once in some newspaper published in the city, or, if there be no such newspaper, the notice shall be posted in three public places in the city for at least five days. Two or more notices may be consolidated into a single notice."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

H.B. 922 **CHAPTER 754**

AN ACT TO AMEND THE CHARTER OF THE CITY OF DURHAM WITH RESPECT TO EXEMPTIONS FROM FAIR HOUSING ORDINANCE.

The General Assembly of North Carolina enacts:

Section 1. *Section 122 of the Charter of the City of Durham, being Chapter 671, Session Laws of 1975, as added by Chapter 373, Session Laws of 1983 and amended by Chapter 715, Session Laws of 1985, is rewritten to read:*

"Sec. 122. Exemptions. Any ordinance enacted pursuant to this Chapter may provide for exemption from its coverage:

(1) a. Any single-family house sold or rented by an owner; provided, however, that such private individual owner does not own more than three such single-family houses at any one time; provided further, however, that in the case of the sale of any such single-family house by a private individual owner not residing in such house at the time of such sale or who was not the most recent resident of such house prior to such sale, the exemption granted by this subdivision (1) shall apply only with respect to one such sale within any twenty-four month period; provided further, however, that such bona fide private individual owner does not own any interest in, nor is there owned or reserved on his or her behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of, more than three such single-family houses at any one time; provided further, however, that the sale or rental of any such

single-family house shall be exempted from the application of an ordinance adopted pursuant to this Chapter only if such house is sold or rented (i) without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, agent, or salesman, or of such facilities or services of any person in the business of selling or renting housing accommodations, or of any employee or agent of any such broker, agent, salesman, or person and (ii) without the publication, posting, or mailing, after notice, of any advertisement or written notice in violation of the provisions of the ordinance.

b. Nothing in this subdivision (1) shall prohibit the use of attorneys, escrow agents, abstractors, title companies, or other such professional assistance as necessary to perfect or transfer the title.

c. For the purposes of this subdivision (1), a person shall be deemed to be in the business of selling or renting accommodations if:

1. he, has within the preceding twelve months, participated as principal in three or more transactions involving the sale or rental of any housing accommodations or interest therein, or
2. he has, within the preceding twelve months, participated as agent other than in the sale of his own personal residence in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any housing accommodation or interest therein, or
3. he is the owner of any housing accommodation designed or intended for occupancy by, or occupied by, five or more families.

(2) Rooms or units in housing accommodations containing living quarters occupied or intended to be occupied by no more than three families living independently of each other, if the owner actually maintains and occupies one of such living quarters as his residence;

(3) With respect to discrimination based on sex, to the rental or leasing of housing accommodations in a single-sex dormitory property;

(4) With respect to discrimination based upon religion, to housing accommodations owned and operated for other than a commercial purpose by a religious organization, association, or society, or any nonprofit institution or

organization operated, supervised, or controlled by or in conjunction with a religious organization, association, or society, the sale, rental or occupancy of such housing accommodation being limited or preference being given to persons of the same religion, unless membership in such religion is restricted because of race, color, national origin, sex, handicap, or age;

(5) With respect to discrimination based on age, to any bona fide senior citizen or retirement community, provided, however, that this exemption shall be subject to the following limitations:

a. The covenants, conditions, and restrictions or other documents or written policy pertaining to such community shall not limit occupancy more proscriptively than to require that one person in each residence be a senior citizen and that each other resident, if any, except the spouse or cohabitant of, or a person who resides with and provides primary physical or economic support to, the senior citizen shall be at least 45 years of age;

b. The covenants, conditions, and restrictions or other documents or written policy pertaining to such community shall permit temporary residency by a person less than 45 years of age for specified periods of not less than 60 days in any calendar year;

c. Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the qualifying resident, any other person who was a qualified permanent resident pursuant to the provisions of this subdivision (5) shall be entitled to continue in residence;

d. The senior citizen or retirement community shall have been developed for, and initially put to use as, housing for senior citizens, or shall have been substantially rehabilitated or renovated for, and immediately afterward put to use as, housing for senior citizens;

e. Any person who has the right to reside in, occupy, or use the housing subject to this section prior to the date of its enactment shall not be deprived of the right to continue that residency, occupancy, or use as the result of the enactment of this section.

(6) Any person subject to this Chapter who adopts and carries out a plan to eliminate present effects of past discriminatory practices or to assure equal opportunity in real estate

transactions if the plan is part of a conciliation agreement entered into by that person under the provisions of an ordinance adopted pursuant to this Chapter."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th of August, 1987.

H.B. 924 **CHAPTER 755**

AN ACT AMENDING THE CHARTER OF THE CITY OF DURHAM CONCERNING THE REMOVAL OF ABANDONED OR JUNKED MOTOR VEHICLES FROM PRIVATE PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the City of Durham, being Chapter 671, 1975 Session Laws, as amended, is further amended as follows:

(1) Section 55(2) is rewritten to read:

"(2) The term 'abandoned motor vehicle' and 'junk or junked motor vehicle' have the same meaning as prescribed in G.S. 160A-303(b)."

(2) A new subsection of Section 55 is added as follows:

"(2a) The provisions of G.S. 160A-303 notwithstanding, the city council may, by ordinance, regulate, restrain or prohibit the keeping on private property of any motor vehicle that does not display a current license plate and that:

(1) Is partially dismantled or wrecked; or
(2) Cannot be self-propelled or moved in the manner in which it was originally intended to move; or
(3) Is more than five years old and appears to be worth less than one hundred dollars ($100.00).

Such an ordinance may provide for the removal of any such vehicle from private property consistent with G.S. 160A-303 except that the provisions of G.S. 160A-303(c) which require the written request of the owner, lessee, or occupant of the premises shall not apply and such vehicle need not be a junked motor vehicle, as that term is defined in G.S. 160A-303, so long as such vehicle meets the requirements of this subsection (2a). Nothing in this subsection shall be construed to authorize the removal or disposal of a motor vehicle which is kept or stored: (i) at a bona fide 'automobile graveyard' or 'junkyard' as defined in G.S. 136-143, or (ii) at a bona fide automobile repair business for a period of time not to exceed the time specified in any such ordinance, which period of time shall not be less than 15 days."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

H.B. 925 **CHAPTER 756**

AN ACT AMENDING THE CHARTER OF THE CITY OF DURHAM CONCERNING THE POWER OF THE HOUSING APPEALS BOARD AND DISPOSITION OF PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Section 102 of the Durham City Charter, the same being Chapter 671, 1975 Session Laws, as amended, is further amended by designating the existing section as subsection (a), by adding the following after the words "building inspector": "or public officer as defined in G.S. 160A-442(7)," and by adding the following new subsection:

"(b) The city council may, by ordinance, also authorize the housing appeals board to hear and decide, without the necessity of further action by the council, any other cases under Parts 5 or 6 of Article 19 of Chapter 160A of the General Statutes and Article II of this Charter which, in the absence of such ordinance, would reach the council for action or decision. In hearing any such cases, the same procedures for the hearing of appeals under subsection (a) herein shall apply, and the decision of the board shall be reviewable in the same manner as decisions under subsection (a) herein."

Sec. 2. The Charter of the City of Durham, the same being Chapter 671, 1975 Session Laws, is further amended by adding a new section to read:

"*Sec. 100.1. Summary disposition of certain Personal Property.* The City Council may provide for the removal, sale or other disposition of personal property which is found within buildings or dwellings when the building inspector, housing inspector or other public officer proceeds to cause such building or dwelling to be vacated and closed, or demolished pursuant to any ordinances adopted under authority of Part 5 or Part 6 of Article 19, Chapter 160A of the General Statutes or this Charter. The City Council shall cause reasonable notice of the intended removal, sale or other disposition of the personal property to be given to the owner of the building or dwelling or to the owner of the personal property if such owner is known and is someone other than the owner of the building or dwelling, and shall afford such owner or owners a reasonable period of time to remove such personal property. Reasonable notice shall be deemed to have been given if posted in a conspicuous location on the building or dwelling at least

seven days prior to removal of said personal property by the City. The provisions of Section 86 of this Charter, which authorize the sale of property at private sale, may, but need not, be followed in the sale of such personal property. The proceeds of such sale shall be applied to the costs of the sale and to the costs of vacating and closing, or demolishing such building or dwelling. Any surplus shall be paid to the general fund of the City."

Sec. 3. The Charter of the City of Durham, the same being Chapter 671, 1975 Session Laws is further amended by deleting the second full paragraph of Section 86.

Sec. 4. A new section is added to the Charter of the City of Durham to read:

"*Sec. 86.2. Disposition of Property by City Manager.* The City Council may authorize the City Manager to dispose of the following property without the necessity of approval by the City Council of each such disposition:

(1) Wrecked or damaged property as part of the settlement of a claim by the city for damage to such property;

(2) Water or sewer easements, or similar interests in real property, as part of an exchange for other water or sewer easements or similar interests in property; and

(3) Water or sewer easements, or similar interests in real property when such easement or similar interests in real property is no longer needed by the City.

The provisions of Article 12 of Chapter 160A of the North Carolina General Statutes shall not apply to the disposition of property pursuant to this section."

Sec. 5.qThis act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

S.B. 131 **CHAPTER 757**

AN ACT TO REVISE THE PENALTIES FOR LITTERING.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-399 (d) is rewritten to read:

"(d) A violation of this section is a misdemeanor punishable by a fine of not less than fifty dollars ($50.00) nor more than two hundred dollars ($200.00) for the first offense. Any second or subsequent offense is punishable by a fine of not less than fifty dollars ($50.00) nor more than three hundred dollars ($300.00). In lieu of a fine or any portion thereof, or in addition to a fine, any violation of this section may also be punished by a term of community service."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

S.B. 428 **CHAPTER 758**

AN ACT TO PROVIDE THAT INTEREST SHALL BE AT THE LEGAL RATE ON JUDGMENTS IN ACTIONS FOR BREACH OF A CONTRACT EXTENDING CREDIT FOR PERSONAL, FAMILY, HOUSEHOLD, OR AGRICULTURAL PURPOSES AFTER ONE YEAR FOLLOWING FINAL JUDGMENT.

The General Assembly of North Carolina enacts:

Section 1. G. S. 24-5(a) is amended by rewriting the third sentence to read:

"If the parties have agreed in the contract that the contract rate shall apply after judgment then interest on an award in a contract action shall be at the contract rate after judgment, otherwise it shall be at the legal rate; provided, however, that on awards in actions on contracts pursuant to which credit was extended for personal, family, household, or agricultural purposes, interest shall be at the legal rate, provided however, such rate shall not exceed the contract rate."

Sec. 2. This act shall become effective October 1, 1987, and applies to all actions filed on or after that date, except as to those actions which are based on a contract entered into on or after October 1, 1985, and prior to October 1, 1987, and which contract specifically provided that interest after judgment shall be at the contract rate.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

S.B. 647 **CHAPTER 759**

AN ACT AUTHORIZING COUNTIES, CITIES, AND LOCAL BOARDS OF EDUCATION TO ESTABLISH REQUIREMENTS CONCERNING APARTHEID IN PROJECTS FINANCED WITH PUBLIC FUNDS.

The General Assembly of North Carolina enacts:

Section 1. Article 6 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"§ *153A-141. Anti-Apartheid requirements.*--As a means of encouraging, expressing, and implementing policies opposing apartheid, a county may enact ordinances, resolutions, rules,

regulations, and procedures, relative to the use of public funds, that prohibit purchases from, investment in, or otherwise contracting with any person, firm, or corporation doing business in or with the Republic of South Africa. The county may include such prohibitions in the specifications for contracts to perform all or part of any projects and may award bids pursuant to G.S. 143-129 and G.S. 143-131, if applicable, to the lowest responsible bidder or bidders meeting these and other specifications."

Sec. 2. Article 8 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ *160A-197. Anti-Apartheid requirements.*--As a means of encouraging, expressing, and implementing policies opposing apartheid, a city may enact ordinances, resolutions, rules, regulations, and procedures, relative to the use of public funds, that prohibit purchases from, investment in, or otherwise contracting with any person, firm, or corporation doing business in or with the Republic of South Africa. The city may include such prohibitions in the specifications for contracts to perform all or part of any projects and may award bids pursuant to G.S. 143-129 and G.S. 143-131, if applicable, to the lowest responsible bidder or bidders meeting these and other specifications."

Sec. 3. Article 5 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ *115C-49. Anti-Apartheid requirements.*--As a means of encouraging, expressing, and implementing policies opposing apartheid, local boards of education may enact resolutions, rules, regulations, and procedures, relative to the use of public funds, that prohibit purchases from, investment in, or otherwise contracting with any person, firm, or corporation doing business in or with the Republic of South Africa. The local board of education may include such prohibitions in the specifications for contracts to perform all or part of any projects and may award bids pursuant to G.S. 143-129 and G.S. 143-131, if applicable, to the lowest responsible bidder or bidders meeting these and other specifications."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of August, 1987.

S.B. 654 **CHAPTER 760**

AN ACT TO MODIFY THE MISCELLANEOUS PROVISION FOR THE ISSUE OF PERMITS FOR BUSINESS ON SCHOOL AND COLLEGE CAMPUSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-1006(a) reads as rewritten:

"(a) School and College Campuses. No permit for the sale of malt beverages, unfortified wine, or fortified wine shall be issued to a business on the campus or property of a public school or college unless that business is a hotel with a mixed beverages permit or a special occasion permit."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of August, 1987.

S.B. 762 **CHAPTER 761**

AN ACT FORBIDDING THE PLACING OF SOLID NON-RADIOACTIVE WASTE FROM OUTSIDE NORTH CAROLINA WITHOUT PRIOR INSPECTION AND CERTIFICATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-294(a) is amended by adding a new (4a) as follows:

"(4a) No permit shall be granted for any public or private sanitary landfill to receive solid non-radioactive waste generated outside the boundaries of North Carolina to be deposited, unless such waste has previously been inspected by the solid waste regulatory agency of that nation, state or territory, characterized in detail as to its contents and certified by that agency to be non-injurious to health and safety. The Commission shall adopt rules to implement this subsection."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of August, 1987.

H.B. 682 **CHAPTER 762**

AN ACT ESTABLISHING A PORTION OF THE BOUNDARY LINE BETWEEN CRAVEN COUNTY AND PITT COUNTY.

The General Assembly of North Carolina enacts:

Section 1. A portion of the common dividing line between Craven County and Pitt County shall be as follows:

Beginning at a point in the center of Swift Creek, said point also being referred to as the Old Issac Gardner's Ford and having North Carolina Grid Coordinates Y=597,219.393 X=2,508,295.682; thence

from said point of beginning S41-09'-59"W approximately 24,993.39 feet to a point in the center of Grindle Creek, said point being also located approximately one-half mile upstream from the Neuse River and having approximate North Carolina Grid Coordinates Y=578,404.357 X=2,491,843.809.

Sec. 2. That copies of the map shall be filed with the Registers of Deeds of Pitt County and Craven County and with the N.C. Department of Archives.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of August, 1987.

H.B. 723 **CHAPTER 763**

AN ACT TO CLARIFY EXEMPTION OF DEPARTMENT OF CORRECTION OFFICERS FROM TUITION AND FEES FOR JOB-RELATED TRAINING COURSES TAUGHT BY THE DEPARTMENT OF COMMUNITY COLLEGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115D-5(b)reads as rewritten:

"(b) In order to make instruction as accessible as possible to all citizens, the teaching of curricular courses and of noncurricular extension courses at convenient locations away from institution campuses as well as on campuses is authorized and shall be encouraged. A pro rata portion of the established regular tuition rate charged a full-time student shall be charged a part-time student taking any curriculum course. In lieu of any tuition charge, the State Board of Community Colleges shall establish a uniform registration fee, or a schedule of uniform registration fees, to be charged students enrolling in extension courses for which instruction is financed primarily from State funds; provided, however, that the State Board of Community Colleges may provide by general and uniform regulations for waiver of tuition and registration fees for persons not enrolled in elementary or secondary schools taking courses leading to a high school diploma or equivalent certificate, for training courses for volunteer firemen, local fire department personnel, volunteer rescue and lifesaving department personnel, local rescue and lifesaving department personnel, local law-enforcement officers, patients in State alcoholic rehabilitation centers, all full-time custodial employees of the Department of Correction and employees of the Department's Division of Adult Probation and Parole required to be certified pursuant to Chapter 17C

of the General Statutes and the rules of the Criminal Justice and Training Standards Commission, trainees enrolled in courses conducted under the New and Expanding Industry Program, clients of sheltered workshops, clients of adult developmental activity programs, students in Human Resources Development Programs, juveniles of any age committed to the Division of Youth Services of the Department of Human Resources by a court of competent jurisdiction, and prison inmates. Provided further, tuition shall be waived for senior citizens attending institutions operating pursuant to this Chapter as set forth in Chapter 115B of the General Statutes, Tuition Waiver for Senior Citizens."

Sec. 2. This act shall become effective September 1, 1987; provided, however, this act shall become effective only if the General Assembly transfers in the Current Operations Appropriations Act funds in the amount of thirteen thousand three hundred thirty-five dollars ($13,335) for each year of the 1987-89 fiscal biennium from the budget of the Department of Correction to the budget of the Department of Community Colleges to carry out the provisions of this act.

In the General Assembly read three times and ratified this the 10th day of August, 1987.

S.B. 358 **CHAPTER 764**

AN ACT TO AMEND THE STATUTES RELATING TO THE USE OF UNEMPLOYMENT COMPENSATION BENEFITS FOR CHILD SUPPORT AND SERVICE OF PROCESS UPON THE EMPLOYMENT SECURITY COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. The first sentence of G.S. 110-136.2(a) is rewritten to read:

"A responsible parent may voluntarily assign unemployment compensation benefits to a child support agency to satisfy a child support obligation or a child support enforcement agency may request a responsible parent to voluntarily assign unemployment benefits to satisfy a child support obligation."

Sec. 2. G.S. 110-136.2(f) is rewritten to read:

"(f) In the absence of a voluntary assignment of unemployment compensation benefits, the Department of Human Resources shall implement income withholding as provided in this Article for IV-D cases. The amount withheld shall not exceed twenty-five percent (25%) of the unemployment compensation benefits. Notice of the

requirement to withhold shall be served upon the Employment Security Commission and payment shall be made by the Employment Security Commission directly to the Department of Human Resources pursuant to G.S. 96-17. Except for the requirement to withhold from unemployment compensation benefits and the forwarding of withheld funds to the Department of Human Resources, the Employment Security Commission is exempt from the provisions of G.S. 110-136.8."

Sec. 3. G.S. 110-129(6) is amended as follows:

(1) by inserting immediately after the phrase "worker's compensation," the phrase "unemployment compensation benefits,";

(2) by adding the following new sentence at the end to read:

"Unemployment compensation benefits shall be treated as disposable income only for the purposes of income withholding under the provisions of G.S. 110-136.4, and the amount withheld shall not exceed twenty-five percent (25%) of the unemployment compensation benefits."

Sec. 4. G.S. 96-4(t)(5) is amended in the first sentence by inserting between the word "Chapter" and the period the following words to read:

"and except proceedings involving child support and only for the purpose of establishing the payment and amount of unemployment compensation benefits".

Sec. 4.1. G.S. 96-4(t)(1) is amended by adding a new subdivision at the end to read:

"(v) The Commission shall release the payment and the amount of unemployment compensation benefits upon receipt of a subpoena in a proceeding involving child support."

Sec. 5. G.S. 96-4 is amended by adding a new subsection to read:

"(u) Service of process upon the Commission in any proceeding instituted before an administrative agency or court of this State shall be pursuant to G.S. 1A-1, Rule 4(j)(4); however, notice of the requirement to withhold unemployment compensation benefits pursuant to G.S. 110-136.2(f) shall be served upon the process agent for the Employment Security Commission by regular or courier mail."

Sec. 6. This act shall become effective September 1, 1987.

S.B. 759 **CHAPTER 765**

AN ACT TO AUTHORIZE THE FORMATION OF MULTIPLE EMPLOYER TRUSTS TO PROVIDE HEALTH INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes of North Carolina are amended by adding a new Chapter to read:

"Chapter 58A.

"North Carolina Health Insurance Trust Commission.

"§ *58A-1. Short title.*--This Chapter shall be known as and may be cited as the North Carolina Health Insurance Trust Commission Act.

"§ *58A-2. Legislative intent.*--The General Assembly finds that there is insufficient group health insurance coverage available to employees of many small businesses in North Carolina, that uninsured employees of these small businesses represent a significant portion of the uncompensated costs of health care providers, and that uninsured individuals have impaired access to health care services and corresponding lower health status. It is the intent of the General Assembly that a Commission, to be known as the 'North Carolina Health Insurance Trust Commission', be organized for the purpose of assisting in making economic health insurance available to individuals employed by small businesses, and their dependents, who are presently uninsured.

"§ *58A-3. Commission authorized, duties, program eligibility requirements, powers.*--(a) There is created the 'North Carolina Health Insurance Trust Commission', hereafter referred to as the 'Commission'.

(b) The Commission shall:

(1) Facilitate the provision of group health insurance for employers with 25 or fewer employees, their employees, and their employees' families;

(2) Arrange for the development of a health insurance benefit plan to provide coverage for primary and ambulatory health care and inpatient hospital care, including the development of pilot programs;

(3) Establish administrative and accounting procedures for the operation of the Commission;

(4) Establish employer and employee eligibility criteria for participation in the program;

(5) Establish participation criteria governing eligibility of authorized insurers, authorized health maintenance organizations, and others, operating in accordance with the General Statutes, to participate in the program;

(6) Establish procedures under which applicants to and participants in the program may have grievances reviewed by an impartial body and reported to the Commission;

(7) Contract with authorized insurers to provide services to the Commission;

(8) Develop and implement a plan to publicize the Commission, the eligibility requirements for the program, the procedures for enrollment in the program, and to maintain public awareness of the Commission and the program;

(9) Secure staff necessary to properly administer the Commission. Staff costs shall be funded from grant funds, State and local matching funds, and other sources. The Commission shall be located in the Department of Insurance and shall be given necessary administrative support by the Department of Insurance;

(10) Enter into contracts necessary to carry out the provisions of this Chapter; and

(11) Provide an annual report to the General Assembly each year beginning not later that March 1, 1989.

(c) The Commission shall set business and employee eligibility standards which shall define limits on employers and employees eligible for participation in the program. Small businesses eligible for participation shall have 25 or fewer full-time employees. Employer eligibility standards shall include a provision that the employer must attest to not having offered or provided any other health insurance benefits in the two-year period prior to the employer's date of application to the program. The Commission shall make all necessary provisions to prevent the payment of or reimbursement for any claim or expense which may be covered under a separate health insurance or health care services plan under which an individual who participates in the program may be covered.

(d) The Commission shall have all powers necessary or convenient to carry out the purposes and provisions of this Chapter, including, but not limited to, the power to receive and accept grants, loans, and advances of funds from any public or private agency, for, or in aid of, the purpose of this act, and to receive and accept contributions, from any source, of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this Chapter.

"§ *58A-4. Commission composition; appointment; terms; reimbursement; and liability.*--(a) The Commission shall consist of ten members:

(1) One member shall represent small businesses whose employees are eligible to participate in the program established by the Commission;

(2) One member shall be a representative of an acute care hospital providing services to the program;

(3) One member shall be a representative of a domestic health

care insurer licensed pursuant to Chapter 57 of the General Statutes;

(4) One member shall be a representative of a domestic health care insurer licensed pursuant to Chapter 58 of the General Statutes;

(5) One member shall be the Secretary of Human Resources or his designee;

(6) One member shall be the Commissioner of Insurance or his designee;

(7) One member shall be a representative of the North Carolina business community whose company provides health insurance to its employees;

(7a) One member shall be a representative of the public;

(8) One member shall be a physician licensed to practice medicine in North Carolina and providing services to the program; and

(9) One member shall be a representative of the public, be familiar with health insurance issues, and be an advocate of low and moderate income employees.

(b) The Commission shall be appointed by the General Assembly, in accordance with G.S. 120-121, in the following manner:

(1) One representative of small business employers eligible to participate in the program shall be appointed for an initial term of three years;

(1a) One person who shall be a representative of the public shall be apointed for an initial term of one year;

(2) One domestic health care insurer licensed pursuant to Chapter 57 of the General Statutes shall be appointed for an initial term of two years; and

(3) One physician licensed to practice medicine in North Carolina shall be appointed for an initial term of one year

upon the recommendation of the Speaker of the House of Representatives; and

(1) One representative of an acute care hospital shall be appointed for an initial term of three years;

(2) One domestic health care insurer licensed pursuant to Chapter 58 of the General Statutes shall be appointed for an initial term of two years;

(3) One representative of the business community whose company provides health insurance to its employees shall be appointed for an initial term of two years; and

(4) One representative who shall represent the public and who is familiar with health insurance issues to serve as an advocate for low and moderate income employees shall be

appointed for an initial term of one year upon the recommendation of the President of the Senate.

Initial one year terms shall expire June 30, 1988, initial two year terms shall expire June 30, 1989, and initial three year terms shall expire June 30, 1990.

After the initial terms expire, terms shall be for three years. Vacancies shall be filled in accordance with G.S. 120-122.

(c) Commission members may be reimbursed by the Commission for actual and necessary expenses incurred by them as members, in accordance with G.S. 138-5, but may not otherwise be compensated for their services.

(d) There shall be no liability on the part of, and no cause of action of any nature shall arise against any member of the Commission, its employees or agents for any action taken in good faith and without malice, in performance of their powers and duties under this Chapter.

"§ *58A-5. Licensing, fiscal control.*--(a) The Commission is not an insurer. The Department of Insurance may require that any marketing representatives used and compensated by the Commission be licensed as representatives of insurance companies, health maintenance organizations, or other insurance providers, with whom the Commission may contract.

(b) The Commissioners shall have complete fiscal control over the Commission and shall be responsible for all Commission operations."

Sec. 2. G.S. 120-123 is amended by adding a new subdivision to read:

"(55) The North Carolina Health Insurance Trust Commission, as established by G.S. 58A-3."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

S.B. 791 **CHAPTER 766**

AN ACT TO PERMIT CERTAIN SMALL CITIES TO HOLD ALCOHOLIC BEVERAGE ELECTIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-600 is amended by adding a new subsection to read:

"(e1) Small City Mixed Beverage Elections. A city may also hold a mixed beverage election if the city has at least 300 registered voters and is located in a county with at least one other city that has approved the sale of mixed beverages. Provided, that if a city that qualifies for

an election under this subsection approves the sale of mixed beverages, mixed beverages permittees in the smaller city may purchase liquor from the ABC store designated by any local ABC board in any other city that has approved the sale of mixed beverages."

Sec. 2. This act shall not apply to Alamance, Avery, Burke, Caldwell, Carteret, Cleveland, Henderson, Onslow, Polk, Robeson, Rowan, Rutherford, and Wilkes Counties.

Sec. 3. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

H.B. 94 **CHAPTER 767**

AN ACT TO INCREASE FEES FOR POLLUTION CONTROL PERMITS TO IMPROVE PERMITTING EFFICIENCY AND COMPLIANCE AND TO CREATE THE WASTEWATER TREATMENT WORKS EMERGENCY MAINTENANCE, OPERATION AND REPAIR FUND.

The General Assembly of North Carolina enacts:

Section 1.qG.S. 143-215.3(a) is amended by deleting subdivision (1) and substituting the following subdivisions to read:

"(1) To make rules implementing Articles 21, 21A, 21B, or 38 of this Chapter.

(1a) To charge fees for the following:

a. processing of applications for permits or registrations issued under Articles 21, 21A, 21B, and 38 of this Chapter;
b. administering permits or registrations issued under Articles 21, 21A, 21B, or 38 of this Chapter including monitoring compliance with the terms of those permits; and
c. reviewing, processing, and publicizing applications for construction grant awards under the Federal Water Pollution Control Act.

No fee may be charged under this provision, however, to a farmer who submits an application that pertains to his farming operations.

(1b) The fee to be charged pursuant to G.S. 143-215.3(a)(1a) for processing of an application for a permit under G.S. 143-215.1 of Article 21 and G.S. 143-215.108 and G.S. 143-215.109 of Article 21B of this Chapter may not exceed four hundred dollars ($400.00). The fee to be charged pursuant to G.S. 143-215.3(a)(1a) for processing an application for a registration under Article 38 of this Chapter may not exceed fifty dollars ($50.00) for any single application, except that a penalty of as much as twenty percent (20%)

of the fee may be assessed for late registration. The fee for administering and compliance monitoring under G.S. 143-215.1 of Article 21 and G.S. 143-215.108 and G.S. 143-215.109 of Article 21B shall be charged on an annual basis for each year of the permit term and may not exceed one thousand five hundred dollars ($1,500) per year. Fees for processing all permits under Article 21A and all other Sections of Articles 21 and 21B shall not exceed one hundred dollars ($100.00) for any single permit. Notwithstanding any other provision of this subdivision, the total payment for fees required for all permits under this subsection for any single facility shall not exceed seven thousand five hundred dollars ($7,500) per year, which amount shall include all application fees and fees for administration and compliance monitoring. A single facility is defined to be any contiguous area under one ownership and in which permitted activities occur. For all permits issued under these Articles where a fee schedule is not specified in the statutes, the Environmental Management Commission, or other commission specified by statute shall adopt a fee schedule in a rule following the procedures established by the Administrative Procedures Act. Such fee schedules shall be established to reflect the size of the emission or discharge, the potential impact on the environment, the staff costs involved, relative costs of the issuance of new permits and the reissuance of existing permits, and shall include adequate safeguards to prevent unusual fee assessments which would result in serious economic burden on an individual applicant. A system shall be considered to allow consolidated annual payments for persons with multiple permits. In its rulemaking to establish fee schedules, the Environmental Management Commission is also directed to consider a method of rewarding facilities which achieve full compliance with administrative and self-monitoring reporting requirements, and to consider, in those cases where the cost of renewal or amendment of a permit is less than for the original permit, a lower fee for such renewal or amendment.

(1c) Monies collected pursuant to G.S. 143-215.3(a)(1a) shall be used to:

a. eliminate, insofar as possible, backlogs of permit applications awaiting agency action;
b. improve the quality of permits issued;
c. improve the rate of compliance of permitted activities with environmental standards; and
d. decrease the length of the processing period for permit applications."

Sec. 2. Chapter 143 is amended by adding a new section to read:

"§ *143-215.3A. Use of application and permit fees.*--There is established a nonreverting account within the Office of State Budget. The account will be used, to the extent appropriated by the General Assembly, for allocations to the Department of Natural Resources and Community Development to (a) defray the expenses of any project or program supporting the permitting and compliance activities needed to protect the State's surface water, groundwater, and air quality, and (b) establish additional permanent positions, under the Personnel Act, for water, groundwater, and air quality permitting and compliance activities. All application fees and permit administration fees collected by the State for permits issued under Articles 21, 21A, 21B, and 38, except those collected under Part 2 of Article 21A and deposited in the Oil or Other Hazardous Substances Pollution Protection Fund, and except as provided in G.S. 143-215.3B shall be deposited in the account. The total monies collected per year from fees for permits under G.S. 143-215.3(a)(1a) shall not exceed thirty percent (30%) of the total budgets from all sources of environmental permitting and compliance programs within the Department of Natural Resources and Community Development. The Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the State's environmental permitting programs contained within such Department. The report shall include, but is not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly."

Sec. 3. Chapter 143 is amended by adding a new section to read:

"§ *143-215.3B. Wastewater Treatment Works Emergency Maintenance, Operation and Repair Fund.*--(a) There is established under the control and direction of the Department of Natural Resources and Community Development a Wastewater Treatment Works Emergency Maintenance, Operation and Repair Fund. The Fund shall be maintained as a separate nonlapsing, nonreverting, revolving fund and shall consist of any monies appropriated to the Fund by the General Assembly or designated for such purposes pursuant to subsection (b). The Fund shall be invested by the State Treasurer in accordance with law.

(b) A portion, not to exceed one hundred dollars ($100.00) per permit, of the monies charged pursuant to G.S. 143-215.3(a)(1a)a. for

application fees for treatment works permits under G.S. 143-215.1(c) and (d), shall be designated by the Environmental Management Commission for deposit into the Fund. This section applies only to applicants who apply for a permit or renewal of a permit to operate treatment works of design flow capacity of less than or equal to 100,000 gallons per day. The portion of the application fee to be deposited in the Fund shall be set forth in the fee schedule established for treatment works permits pursuant to G.S. 143-215.3(a)(1b) and shall be established by adoption of a rule pursuant to the procedures of the Administrative Procedures Act and the application of the factors set forth in G.S. 143-215.3(a)(1b).

(c) If the Environmental Management Commission finds that any person holding a wastewater discharge or nondischarge permit issued pursuant to G.S. 143-215.1 has violated the terms of the permit or the provisions of Article 21, and if the Commission has notified the permittee in writing of the violation and that it proposes to pay for corrective action from the Fund, the Commission may order corrective action to remedy the violations of the permit or Article 21 and shall pay the costs of the corrective action from the Fund. Monies from this Fund may only be used for corrective action at permitted facilities with design flow capacity of less than or equal to 100,000 gallons per day. The Commission may thereafter bring an action in a court of competent jurisdiction to recover from the permittee any amounts which have been expended from the Fund for corrective action. Any sums recovered as the result of such action, or otherwise recovered from the permittee, shall be paid into the Fund.

(d) All monies paid into the Fund and the investment earnings thereon shall be accumulated in the Fund until the Fund balance reaches seven hundred fifty thousand dollars ($750,000). Once the Fund balance reaches seven hundred and fifty thousand dollars ($750,000) the Commission shall revise the application fee charged pursuant to G.S. 143-215.3(a)(1a)a. to reduce the application fee by the amount designated for deposit into the Fund, provided that the Commission may at any time increase the application fee, within the limit set forth in G.S. 143-215.3(a)(1b), to be paid into the Fund in a manner which will insure that a sufficient minimum balance is maintained in the Fund.

(e) The Department shall provide an annual accounting of the Fund to the General Assembly."

Sec. 4. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

H.B. 170 **CHAPTER 768**

AN ACT TO CLARIFY THAT CERTAIN HOSPITALS ARE NOT REQUIRED TO OBTAIN A CERTIFICATE OF NEED FOR TRANSFERRING UP TO SIXTY-FIVE BEDS TO SKILLED NURSING HOME BEDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-178(a), as rewritten by Chapter 511 of the 1987 Session Laws, reads as rewritten:

"(a) No person shall offer or develop a new institutional health service without first obtaining a certificate of need from the Department; provided, however, no hospital licensed pursuant to Article 5 of this Chapter that was established to serve a minority population that would not otherwise have been served and that continues to serve a minority population may be required to obtain a certificate of need for transferring up to 65 beds to skilled nursing home beds."

(b) The State Health Plan shall include the 65 beds authorized for transfer by subsection (a) of this section in its total acute care bed allocation of 1,600 beds.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

H.B. 363 **CHAPTER 769**

AN ACT TO ALLOW LOCAL BOARDS OF EDUCATION TO PURCHASE BUSES AND MINIBUSES FOR THE TRANSPORTATION OF CHILDREN WITH SPECIAL NEEDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-250(a) is amended in the first paragraph by adding two new sentences at the end to read: "At the option of the local board of education with the concurrence of the State Board of Education, funds appropriated to the State Board of Education for contract transportation of exceptional children may be used to purchase buses and minibuses as well as for the purposes authorized in the budget. The State Board of Education shall adopt rules and regulations concerning the construction and equipment of these buses and minibuses."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

H.B. 1860 **CHAPTER 770**

AN ACT TO PROVIDE EXTRA PAY FOR EXTRA RESPONSIBILITIES OF CAREER STATUS TEACHERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-363.4 reads as rewritten:

"§ *115C-363.4. Additional duties for Career Status II and Career Status III teachers.*--A Career Status II teacher or a Career Status III teacher may apply for additional responsibilities during the 10-month school year. Responsibilities for which the employee may apply and be selected shall be based on the needs of the local school administrative unit and ~~may include~~ shall include duties requiring a leadership role in instruction areas and not routine duties. These duties may include being a mentor teacher, supervising student teachers, curriculum development, being a staff development leader/coordinator, and serving as department chairman or grade chairman. Career Status III teachers shall receive first consideration for duties such as serving as department chairman, grade level chair, or lead teacher. Career Status II teachers shall receive first consideration for duties such as being a mentor teacher, supervising student teachers, and leadership in curriculum study and development, accreditation study, program evaluation and research, materials development, staff training, and special projects. ~~An employee shall receive an additional one-half percent of the employee's annual salary for each month during which the employee performs each additional responsibility.~~ An employee shall receive additional pay for any month in which he performs these duties at a rate determined by the local board of education.

A Career Status II teacher may also apply for employment during the summer in teaching, curriculum development, and staff development. The employee's salary and benefits during the summer shall be at the same rate as the employee's base salary during the previous 10-month school year.

Local units shall receive an allocation of summer months of employment for summer school teaching curriculum development, and staff development. The allocation shall be one month of employment for each ten State-allotted teachers.

The State Board of Education shall allocate funds to compensate Career Status II and Career Status III teachers for extra duties to the local school administrative units on an average daily membership basis from the base of five percent (5%) of the annual salary of individuals on Career Status II and Career Status III. Up to ten percent (10%) of

the allocation to a local school administrative unit may be used for substitute pay to provide released time for teachers approved to perform specified leadership tasks that must be performed during class hours.

The General Assembly urges local school administrative units to assign any extra duties to Career Status II teachers and Career Status III teachers, pursuant to this section, so as to minimize the time these teachers spend away from their classes during regular class hours."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of August, 1987.

S.B. 62 **CHAPTER 771**

AN ACT TO ESTABLISH AND MAINTAIN A DEPOSITORY LIBRARY SYSTEM FOR PUBLICATIONS OF NORTH CAROLINA STATE GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 147-50.1 is repealed.

Sec. 2. Chapter 125 of the General Statutes is amended by adding a new Article to read:

"Article 1A.

"State Depository Library System.

"§ *125-11.5. Purpose.*--The purpose of this Article is to establish a depository system for the distribution of State publications to designated libraries throughout the State in order to facilitate public access to publications issued by State agencies.

"§ *125-11.6. Definitions.*--As used in this Article:

(1) 'Depository library' means a library designated to receive and maintain State publications and make them available to the public.

(2) 'Document' means any printed document including any report, directory, statistical compendium, bibliography, map, regulation, newsletter, pamphlet, brochure, periodical, bulletin, compilation, or register, regardless of whether the printed document is in paper, film, tape, disk, or any other format.

(3) 'State agency' means every State department, institution, board, and commission.

(4) 'State publication' means any document prepared by a State agency or private organization, consultant, or research firm, under contract with or under the supervision of a State agency: Provided, however, the term 'State publication' does not include administrative documents used only within the issuing agency, documents produced for instructional purposes that are not intended for sale or publication, appellate division reports and advance sheets distributed by the Administrative Office of the Courts, the S.B.I. Investigative 'Bulletin', documents that will be reproduced in the Senate or House of Representatives Journals, or documents that are confidential pursuant to Article 17 of Chapter 120 of the General Statutes.

"§ *125-11.7. State Library designated the official depository for all State publications.*--The State Library shall be the official, complete, and permanent depository for all State publications, and shall receive five copies of all State publications in addition to the copies required for the depository system: Provided, however, the State Library shall receive only five copies of any State publication offered for sale by a State agency at a price at least high enough to recover production costs: Provided, further, the State Library, notwithstanding the definition of 'State publication' contained in this Article, shall have authority to exclude from required deposit in the State Library any items or materials which it finds are not appropriate for deposit.

"§ *125-11.8. State Publications Clearinghouse created.*--(a) A State Publications Clearinghouse is created within the Department of Cultural Resources, the Division of State Library.

(b) The Clearinghouse shall:

(1) Advise State agencies annually of the number of copies of State publications needed for distribution.

(2) Advise State agencies annually that they are required to submit only five copies of any State publication offered for sale at a price at least high enough to recover production costs.

(3) Receive from State agencies promptly after publication the number of copies of State publications specified, and distribute these to the depository libraries.

(4) Prepare on microfiche one or more copies of each State publication that is printed on paper for reference and interlibrary loan purposes.

(5) Publish a checklist of State publications and distribute the checklist without charge to all requesting North Carolina libraries.

(6) Forward two copies of all State publications that are printed on paper to the Library of Congress.

"§ *125-11.9. Powers and duties of the State Library.*--The State Library:

(1) Shall carry out the provisions of this act.

(2) Develop and maintain standards for depository libraries. The standards shall include the ability to receive, process, organize, retain, and make available State publications and the ability to provide reference assistance and interlibrary loan service for depository publications.

(3) Shall designate depository libraries, taking into account regional distribution and number of persons served, such that State publications will be conveniently accessible to residents in all areas of the State. The State Library may designate at least one library in each congressional district.

(4) May designate as selective depository libraries those institutions that wish to receive less than the full deposit. Selective depository libraries shall meet the same standards for reference and interlibrary loan service as full depository libraries.

(5) May enter into depository contracts with public libraries and community, technical, special, college and university libraries that meet the standards for depository eligibility adopted by the Clearinghouse.

(6) Shall determine how many copies of State publications each State agency must submit for the State depository system. The State Library may permit a State agency to submit fewer copies of a document if the State Library determines that fewer copies are adequate in light of the cost of the document and the projected public interest in the document.

(7) Shall adopt rules to administer the depository program. These rules may include the State Library's priorities and resulting schedules for collecting, maintaining, and making available State publications in various formats.

"§ *125-11.10. Duties of State agencies.*--(a) State agencies shall send the requested number of copies of each of their publications to the Clearinghouse within 10 days of issuance.

(b) The head of each State agency shall designate a publications officer who shall be responsible for supplying the requested number of copies of each State publication of that agency to the Clearinghouse.

Each agency shall notify the Clearinghouse of the identity of its publications officer before October 1, 1987, and within 30 days of any change of publications officer. The publications officer shall supply the Clearinghouse semiannually a complete list of the agency's State publications issued within the previous six months and any other information regarding the publications of the agency requested by the Clearinghouse.

(c) State agencies may request permission from the State Library to submit fewer than the requested number of copies of a document. The request shall include information on the cost of the document and the projected public interest in the document.

"§ *125-11.11. Advisory Committee.*--The Secretary of Cultural Resources may appoint an advisory committee of State officials and depository librarians to review and advise on the operation of the depository system.

"§ *125-11.12. Report to the Joint Legislative Commission on Governmental Operations.*--The Department of Cultural Resources shall report before September 30 each year to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services Office on the operation of the State depository library system."

Sec. 3. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 182 **CHAPTER 772**

AN ACT TO INCREASE THE MAXIMUM FINE FOR VIOLATION OF ORDINANCES OF THE CITY OF GREENSBORO FROM FIFTY DOLLARS TO FIVE HUNDRED DOLLARS, BUT ONLY IF THE ORDINANCE SPECIFICALLY PROVIDES FOR THE HIGHER PENALTY.

Whereas, the increased growth and congestion of populations of cities have multiplied the problems, and seriousness of these problems, which city governments face in protecting their citizens; and

Whereas, it is desirable for local ordinances prohibiting certain activities which are adverse to the interests of citizens generally to provide meaningful penalties to discourage such activities; and

Whereas, certain ordinances, including but not limited to Housing Code and Zoning Code violations, environmental law ordinances (such as watershed, soil erosion and dumping violations)

and ordinances regulating alcoholic beverage laws (such as sales to minors), call for more meaningful penalties due to the detriment of such violations to the welfare of the community; and

Whereas, the present penalty for violations of any ordinance of a city is a fine in the maximum of fifty dollars ($50.00), and this has been the maximum fine for more than 100 years, such that due to inflation it is no longer a meaningful penalty for serious violations; Now, therefore,

The General Assembly of North Carolina enacts:

Sec. 1. Sections 2 and 3 of Chapter 71, Session Laws of 1983, is amended by deleting "City of Charlotte" both times those words appear, and substituting "Cities of Charlotte and Greensboro".

Sec. 2. This act shall become effective 60 days after ratification and applies to offenses committed on or after that date.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 535 **CHAPTER 773**

AN ACT TO AMEND THE FEE SCHEDULE APPLICABLE TO GENERATORS AND TRANSPORTERS OF HAZARDOUS WASTE AND TO HAZARDOUS WASTE FACILITIES; TO REVISE THE NAME OF THE HAZARDOUS WASTE REGULATION STUDY; TO MAKE TECHNICAL AMENDMENTS TO THE MARINE FISHERIES ACT OF 1987; AND TO AMEND THE BUSINESS CORPORATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-294(a)(7) is rewritten to read:

"(7) Establish and collect annual fees from generators and transporters of hazardous waste, and from storage, treatment, and disposal facilities regulated under this Article as provided in G.S. 130A-294.1."

Sec. 2. Article 9 of Chapter 130A of the General Statutes is amended by adding a new section to read:

"*§ 130A-294.1. Fees applicable to generators and transporters of hazardous waste, and to hazardous waste storage, treatment, and disposal facilities.*--(a) A person who generates 1000 kilograms or more of hazardous waste in any calendar month during the year beginning July 1 and ending June 30 shall pay to the Department an annual fee of six hundred dollars ($600.00) plus fifty cents ($0.50) per ton of

hazardous waste generated up to a maximum of 25,000 tons.

(b) [Reserved.]

(c) A generator who generates less than 1000 kilograms of hazardous waste in each calendar month during the year beginning July 1 and ending June 30 shall not be liable for payment of a fee under subsection (a) of this section for that year.

(d) Hazardous waste generated as a result of any type of remedial action shall not be subject to a tonnage fee under subsection (a) of this section.

(e) A generator of hazardous waste also permitted as a hazardous waste storage, treatment, or disposal facility that accepts hazardous waste from the general public or from another person for a fee shall pay, in addition to the fee applicable to generators, the annual fee or fees applicable to storage, treatment, and disposal facilities under subsection (g) of this section; provided that, a generator whose hazardous waste is stored, treated, or disposed of at a facility which is owned or operated by the generator shall be liable for the tonnage fee applicable to generators under subsection (a) of this section, and shall not be liable for the tonnage fees applicable to storage, treatment, or disposal facilities under subsection (g) of this section.

(f) A transporter shall pay a fee of six hundred dollars ($600.00).

(g) A storage, treatment, or disposal facility that accepts hazardous waste from the general public or from another person for a fee shall pay a fee of one thousand two hundred dollars ($1,200) for each permitted activity, plus a single tonnage charge of one dollar and seventy-five cents ($1.75) per ton of hazardous waste stored, treated, and disposed of at the facility.

(h) An applicant for a permit for a hazardous waste storage, treatment, or disposal facility that proposes to accept hazardous waste from the general public or from another person for a fee shall pay an application fee for each proposed activity as follows:

(1) Storage facility	$10,000;
(2) Treatment facility	$15,000;
(3) Disposal facility	$25,000.

(i) All fees collected by the Department under this section shall be deposited in a separate nonreverting fund to be used, subject to appropriation by the General Assembly, to pay the State's share of the cost of the Department's hazardous waste management program.

(j) [Reserved.]

(k) The Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the State's hazardous waste management program. The report shall include, but

is not limited to, beginning fund balance, fees collected under this section, anticipated revenue from all other sources, interest earned by the fund, expenditures for the hazardous waste management program, ending fund balance, and any other information requested by the General Assembly."

Sec. 3. This act does not limit any authority which any city or county may otherwise have to impose local permit application fees.

Sec. 4. Effective July 1, 1988, G.S. 130A-294.1(a), as set out in Section 2 of this act, is amended by deleting the phrase "six hundred dollars ($600.00)" and substituting the phrase "five hundred dollars ($500.00)".

Sec. 5. Effective July 1, 1988, G.S. 130A-294.1(b), as set out in Section 2 of this act, is amended by deleting the phrase "[Reserved.]" and substituting the following:

"A generator who generates 100 kilograms or more of hazardous waste in any calendar month during the year beginning July 1 and ending June 30 but less than 1000 kilograms of hazardous waste in each calendar month during that year shall pay an annual fee of twenty-five dollars ($25.00)."

Sec. 6. Effective July 1, 1988, G.S. 130A-294.1(c), as set out in Section 2 of this act, is rewritten to read:

"(c) A generator who generates less than 100 kilograms of hazardous waste in each calendar month during the year beginning July 1 and ending June 30 shall not be liable for payment of a fee under subsections (a) and (b) of this section for that year."

Sec. 7. Effective July 1, 1988, G.S. 130A-294.1(d), as set out in Section 2 of this act, is rewritten to read:

"(d) Hazardous waste generated as a result of any type of remedial action shall not be subject to a tonnage fee under subsections (a) and (b) of this section."

Sec. 8. Effective July 1, 1988, G.S. 130A-294.1(j), as set out in Section 2 of this act, is amended by deleting the phrase "[Reserved.]" and substituting the following sentence:

"The Secretary shall annually adjust the tonnage fees established by this section to assure the continued availability of funds sufficient to pay the State's share of the cost of the Department's hazardous waste management program."

Sec. 9. Section 150 of Chapter 1014 of the 1985 Session Laws (1986 Regular Session) is amended by rewriting the catch line to read "CONSOLIDATION OF ENVIRONMENTAL REGULATORY AGENCIES STUDY"; by deleting the phrase "A legislative committee" in the third sentence of the first paragraph and substituting the phrase "There is created the Consolidation of Environmental

Regulatory Agencies Study Commission which"; and by substituting the word "Commission" for the word "committee" in each sentence in the second paragraph.

Sec. 10. Section 2 of Chapter 641 of the 1987 Session Laws is amended at G.S. 143B-289.4(2)(k) by inserting the word "or" between the words "navigational" and "recreational".

Sec. 11. Section 16 of Chapter 641 of the 1987 Session Laws is amended by deleting the citation "G.S. 113-202" and substituting "G.S. 113-202(b)".

Sec. 12. Article 7A of Chapter 55 of the General Statutes, as enacted by Chapter 182 of the 1987 Session Laws is amended by adding a new section to read:

"§ *55-99. Exemptions.*--The provisions of this Article shall not be applicable to any corporation if, on or before the ninetieth (90th) calendar day after the effective date of this section, or such earlier date as may be irrevocably established by resolution of the board of directors, the board of directors adopts a bylaw stating that the provisions of this Article shall not be applicable to the corporation; or, in the case of a corporation formed after the effective date of this section, its initial articles of incorporation provide that this Article shall not be applicable to the corporation. Neither adoption nor failure to adopt such a bylaw or provision shall constitute grounds for any cause of action against the corporation, or any officer or director of the corporation."

Sec. 13. Sections 1, 3, 9, 10, 11, and 12 of this act are effective upon ratification. Section 2 of this act is effective July 1, 1987, except that the tonnage fees established by this act are effective upon ratification. Sections 4, 5, 6, 7, and 8 of this act shall become effective on July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 607 **CHAPTER 774**

AN ACT TO MODIFY AND EXPAND THE DISTRIBUTION BY THE OFFICE OF ADMINISTRATIVE HEARINGS OF THE NORTH CAROLINA REGISTER AND OTHER DOCUMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-751 is amended in the second sentence by deleting the words "hearing officer" and substituting the words "administrative law judge".

Sec. 2. G.S. 150B-63(e)(1) is amended by inserting before the words "one copy to the office of the Governor" the phrase "one copy to the Administrative Office of the Courts;".

Sec. 3. G.S. 150B-63(e)(2) and(4) is amended by deleting the word "One" and substituting the phrase "Upon request, one".

Sec. 4. G.S. 150B-63(f) is amended as follows:

(1) by deleting the first sentence of that subsection and substituting the following sentences to read:

"The Director shall make available to persons not listed in subsection (e) copies of the compilation, supplements, and recompilations of the rules and the North Carolina Register, and shall make available to all persons copies of other public documents filed in the Office of Administrative Hearings. The Director shall set a fee to be charged for publications and documents made available under this subsection at an amount that covers publication, copying, and mailing costs."; and

(2) by deleting the words "section from the sale of copies of said publications" in the second sentence of that subsection and substituting the word "subsection".

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 672 **CHAPTER 775**

AN ACT TO PROVIDE FOR THE EXPANSION OF THE IREDELL COUNTY BOARD OF EDUCATION FROM FIVE TO SEVEN MEMBERS, AND TO ALLOW THE BOARD OF EDUCATION TO PROVIDE FOR ELECTIONS BY DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Effective on the date of ratification of this act, the Iredell County Board of Education is expanded from five to seven members. Five members shall be those presently serving as members of the Board of Education, and two members shall be appointed by the Board of Education. Within 30 days of ratification of this act, the Iredell County Board of Education shall appoint two persons, one to serve until the first Monday in December of 1988, and until a successor is elected and qualifies, and one to serve until the first Monday in December of 1990, and until a successor is elected and qualifies. In making appointments, the Iredell County Board of Education shall consider the geographic and demographic makeup of

the then current board so that the appointments can help ensure that the board broadly represents all the citizens of the school unit.

Sec. 2. In 1988 and quadrennially thereafter, three members of the Iredell County Board of Education shall be elected for four-year terms. In 1990 and quadrennially thereafter, four members of the Iredell County Board of Education shall be elected for four-year terms.

Sec. 3. The Iredell County Board of Education may adopt an apportionment plan which provides that the Iredell County School Administrative Unit is divided into electoral districts for the purpose of electing members of the Iredell County Board of Education. Such plan shall not affect the right of appointed members under Section 2 of this act to finish the remainder of the term of office. The qualified voters of each district shall elect a person who resides in that district for the seat apportioned to that district. Each district shall elect one member. The apportionment plan may provide for up to three of the members of the Board of Education to be elected at-large by all the qualified voters of the school administrative unit. Any apportionment plan under this section, in order to become effective for elections in the succeeding year, must be approved by the Iredell County Board of Education no later than December 31.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 777 **CHAPTER 776**

AN ACT TO STRENGTHEN JOINT CUSTODY WHERE CUSTODY OF CHILDREN IS AT ISSUE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50-13.2(a) is rewritten to read:

"(a) An order for custody of a minor child entered pursuant to this section shall award the custody of such child to such person, agency, organization or institution as will best promote the interest and welfare of the child. An order for custody must include findings of fact which support the determination of what is in the best interest of the child. Between the mother and father, whether natural or adoptive, no presumption shall apply as to who will better promote the interest and welfare of the child. Joint custody to the parents shall be considered upon the request of either parent."

Sec. 2. G.S. 50-13.2(b) is rewritten to read:

"(b) An order for custody of a minor child may grant joint custody to the parents, exclusive custody to one person, agency, organization, or institution, or grant custody to two or more persons, agencies, organizations, or institutions. Any order for custody shall include such terms, including visitation, as will best promote the interest and welfare of the child. Absent an order of the court to the contrary, each parent shall have equal access to the records of the minor child involving the health, education, and welfare of the child."

Sec. 3. This act shall become effective October 1, 1987, and applies to actions or motions filed on or after that date.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 852 **CHAPTER 777**

AN ACT MAKING TECHNICAL CORRECTIONS TO THE PROPERTY TAX STATUTES CONCERNING THE LISTING AND APPRAISAL OF PROPERTY AND TO AMEND THE PERMIT FEE CHARGED TO TAXICAB DRIVERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-278.1(b) is rewritten to read:

"(b) Real and personal property belonging to the State, counties, and municipalities is exempt from taxation."

Sec. 2. The first sentence of G.S. 105-285(c) is rewritten to read:

"The value, ownership, and place of taxation of inventories held and used in connection with the mercantile, manufacturing, producing, processing, or other business enterprise of a taxpayer who has a place of business in this State and whose fiscal year ends on a date other than December 31 shall be determined annually as of the ending date of the taxpayer's latest completed fiscal year."

Sec. 3. G.S. 105-313 is rewritten to read:

"§ *105-313. Report of property by multi-county business.*--A taxpayer who is engaged in business in more than one county in this State and who owns real property or tangible personal property in connection with his multi-county business shall, upon the request of the Department of Revenue or the assessor of a county in which part of this business property is situated, file a report with the Department of Revenue stating, as of the dates specified in G.S. 105-285 of any year, the following information:

(1) The counties in this State in which the taxpayer's business property is situated;

(2) The taxpayer's investment, on a county by county basis, in his business property situated in this State, categorized as the Department of Revenue or the assessor may require; and

(3) The taxpayer's total investment in his business property situated in this State, categorized as the Department of Revenue or the assessor may require.

This report shall be subscribed and sworn to by the owner of the property. If the owner is a corporation, partnership, or unincorporated association, the report shall be subscribed and sworn to by a principal officer of the owner who has knowledge of the facts contained in the report."

Sec. 4. Article 29 of Chapter 105 is amended as follows:

(1) by recodifying G.S. 105-387 through G.S. 105-392 as G.S. 47-108.21 through G.S. 47-108.26 of Article 4 of Chapter 47 of the General Statutes; and

(2) by repealing G.S. 105-393.

Sec. 5. Article 30 of Chapter 105 of the General Statutes is amended by adding a new section to read:

" *105-396. Applicable date when due date falls on weekend or holiday.* When the last day for doing an act required or permitted by this Subchapter falls on a Saturday, Sunday, or holiday, the act is considered to be done within the prescribed time limit if it is done on the next business day."

Sec. 6. G.S. 105-275(16) is amended as follows:

(1) by deleting the phrases "Household personal" and "household personal" and substituting the phrases "Non-business" and "non-business" respectively; and

(2) by deleting the phrase "boats, or airplanes" and substituting the phrase "aircraft, watercraft, or engines for watercraft".

Sec. 7. G.S. 160A-304(a) is amended in the second sentence by inserting the following language between the word "city" and the period to read:

"; provided, however, that the license or permit fee for taxicab drivers shall not exceed fifteen dollars ($15.00)".

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 24 **CHAPTER 778**

AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE USED IN DETERMINING CERTAIN

TAXABLE INCOME AND TAX EXEMPTIONS, AND TO MAKE TECHNICAL CHANGES IN THE INCOME TAX STATUTES NECESSITATED BY THE TAX REFORM ACT OF 1986.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-2.1, 105-114, 105-130.2(1), 105-135(15), 105-163.1(11), and 105-212 are each amended by deleting the phrase "January 1, 1986, and includes any provisions enacted as of that date which become effective after that date" and substituting the phrase "January 1, 1987, and includes any provisions enacted as of that date which become effective either before or after that date".

Sec. 2. G.S. 105-130.5(a) (8) and G.S. 105-130.5(b) (10) are repealed.

Sec. 3. G.S. 105-130.5(d) is repealed.

Sec. 4. G.S. 105-141.2 and G.S. 105-147(21)b. are each amended by deleting the phrases "Internal Revenue Code of 1954, as amended" or "Internal Revenue Code of 1954, as amended," and substituting the word "Code".

Sec. 5. G.S. 105-163 is rewritten to read:

"§ *105-163. Grantor trusts.*--The grantor of a trust or another person who is treated as the owner of the trust under §§ 671 through 678 of the Code shall, if allowed under Division II of this Article, include in the computation of the amount of tax owed by him under that Division those items of income, deductions, and credits against the tax of the trust that are attributable to the portion of the trust he is considered to own."

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 217 **CHAPTER 779**

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A COMMISSION TO ERECT A MONUMENT TO THE VETERANS OF WORLD WAR I, WORLD WAR II, AND THE KOREAN WAR.

Whereas, the 1983 General Assembly appropriated six hundred thousand dollars ($600,000) in a reserve for construction of memorials for World War I, World War II, the Korean War, and the Vietnam War; and

Whereas, the act provided no means for carrying out its purpose; and

Whereas, diligent efforts of Vietnam War veterans have caused the erection of a monument to the veterans of that war, using approximately one hundred fifty thousand dollars ($150,000) of the reserve; and

Whereas, it is necessary to spell out how the remaining funds are to be administered, with one body having complete authority for decision-making; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Article 2 of Chapter 143B of the General Statutes is amended by adding a new Part to read:

Part 29. Veterans' Memorial Commission

"§ *143B-133. Commission Established.*--(a) There is created within the Department of Cultural Resources the Veterans' Memorial Commission.

(b) The Veterans' Memorial Commission shall consist of 15 members, none of whom shall be members of the North Carolina General Assembly. The appointments shall be made as follows:

(1) Five persons shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

(2) Five persons shall be appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121.

(3) Five persons shall be appointed by the Governor.

Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122. Other vacancies in appointive terms shall be filled by appointment by the Governor.

(c) The members of the Commission shall serve for the life of the Commission.

(d) The members of the Commission shall receive necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

(e) The majority of the Commission shall constitute a quorum for the transaction of business.

(f) The members of the Commission shall select a chairman and vice-chairman.

(g) The Commission shall meet at least once during each calendar quarter upon the call of the chairman. The initial meeting shall be called by the Secretary of Cultural Resources to be held no later than August 31, 1987.

(h) The Department of Cultural Resources shall provide administrative and support staff to the Commission to assist it in performing its duties.

(i) The Commission shall terminate and this Part expire upon dedication of the monument.

"§ *143B-133.1. Powers of Commission.*--(a) The Commission shall cause to be erected on the Capitol Grounds a monument to the veterans of World War I, World War II, and the Korean War.

(b) The Commission may, in its discretion, hire any person or persons to design, construct, and erect the monument, and shall choose its location on the Capitol Grounds, in accordance with the review procedures of the North Carolina Historical Commission as set forth in Chapter 100 of the General Statutes, and without regard to Article 8 of Chapter 143 of the General Statutes, G.S. 143B-373, or G.S. 147-12(12).

(c) Further, when a designer is selected and awarded a contract by the Commission to construct and erect the memorial, the Commission shall so advise, in writing, the Office of State Budget and Management of the total amount of the contract, a schedule of payments to be executed, if required, including any particular conditions upon which final acceptance of the Memorial and payment to the designer shall be made. Upon receipt of this document, the Office of State Budget and Management shall cause disbursements to be made from the Reserve established by Section 3 of Chapter 971, Session Laws of 1983, in accordance with the Commission's contractual obligations."

Sec. 2. There is appropriated from the Reserve for World War I, World War II, Korean War and Vietnam War Memorials established by Section 3 of Chapter 971, Session Laws of 1983, to the Veterans' Memorial Commission for the 1987-88 fiscal year the sum of ten thousand dollars ($10,000) for expenses of Commission members to implement this act. Funds appropriated by this act remain available until expended.

Sec. 3. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 265 **CHAPTER 780**

AN ACT TO REVISE THE DUTIES OF THE COUNCIL ON DEVELOPMENTAL DISABILITIES.

The General Assembly of North Carolina enacts:

Section 1. Part 13 of Article 3 of Chapter 143B of the General Statutes reads as rewritten:

"Part 13. Council on Developmental Disabilities.

"§ *143B-177. Council on Developmental Disabilities - creation, powers and duties.*--There is hereby created the Council on Developmental Disabilities of the Department of Human Resources. The Council on Developmental Disabilities shall have the following functions and duties:

~~(1) To provide advice to the Secretary of Human Resources as will facilitate the implementation of the State plan and the fulfillment of the requirements of Public Law 91-517, the Developmental Disabilities and Facilities Construction Amendment of 1970;~~

~~(2) To study ways and means of promoting public understanding of developmental disabilities; to consider the need for new State programs and laws in the field of developmental disabilities; and to make recommendations to and advise the Secretary of Human Resources on the matters relating to developmental disabilities;~~

~~(3) To advise in the preparation of a plan describing the quality, extent and scope of services being provided, or to be provided, to persons with developmental disabilities in North Carolina;~~

~~(4) To examine the programs of all State agencies which provide services for persons with developmental disabilities and to make recommendations to the Secretary of Human Resources for coordination of programs to prevent duplication and overlapping of such services; and~~

~~(5) The Council shall advise the Secretary of Human Resources upon any matter the Secretary may refer to it.~~

(1) To advise the Secretary of Human Resources regarding the development and implementation of the State plan as required by Public Law 98-527, the Developmental Disabilities Act of 1984, by:

a. Identifying ways and means of promoting public understanding of developmental disabilities;

b. Examining the federally assisted State programs of all State agencies which provide services for persons with developmental disabilities;

c. Describing the quality, extent and scope of services being provided, or to be provided, to persons with developmental disabilities in North Carolina;

d. Recommending ways and means for coordination of programs to prevent duplication and overlapping of such services;

e. Considering the need for new State programs and laws in the field of developmental disabilities; and

f. Conducting activities which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

(2) To advise the Secretary of Human Resources regarding the coordination of planning and service delivery of all State-funded programs which provide service to persons with developmental disabilities by:

a. Gathering, analyzing and interpreting individual and aggregate needs assessment data from all State agencies that provide services to developmentally disabled;

b. Conducting special needs assessment studies as may be necessary;

c. Specifying and supporting activities that will enhance the services delivered by individual agencies by reducing barriers between agencies;

d. Identifying service development priorities that require cooperative interagency planning and development;

e. Providing coordinative and technical assistance in interagency planning and development efforts; and

f. Coordinating interagency training efforts that will promote more effective service delivery to persons with developmental disabilities.

(3) To advise the Secretary of Human Resources regarding other matters relating to developmental disabilities and upon any matter the Secretary may refer to it.

"§ *143B-178. Council on Developmental Disabilities-definitions.*--The following definitions apply to this Chapter:

(1) The term 'developmental disability' means a severe, chronic disability of a person which:

a. Is attributable to a mental or physical impairment or combination of mental and physical impairments;

b. Is manifested before the person attains age 22, unless the disability is caused by a traumatic head injury and is manifested after age 22;

c. Is likely to continue indefinitely;

d. Results in substantial functional limitations in

three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

e. Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

(2) The term 'services for persons with developmental disabilities,' as it is used in this Article, means:

a. Alternative community living arrangement services, employment related activities, child development services, and case management services; and

b. Any other specialized services or special adaptations of generic services ~~directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability, and such term includes~~ including diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation and socialization, counseling of the individual with such a disability and of his family, protective and other social and sociolegal services, information and referral services, follow-along services, nonvocational social-developmental services, and transportation services necessary to assure delivery of services to persons with developmental disabilities, and services to promote and coordinate activities to prevent developmental disabilities.

"§ *143B-179. Council on Developmental Disabilities - members; selection; quorum; compensation.*--(a)The Council on Developmental Disabilities of the Department of Human Resources shall consist of 32 members appointed by the Governor. The composition of the Council shall be as follows:

(1) Eleven members from the General Assembly and State government agencies as follows: One person who is a member of the Senate, one person who is a member of the House of Representatives, one representative of the Department of Public Instruction, one representative of the

Department of Correction, and seven representatives of the Department of Human Resources to include the Secretary or his designee.

(2) Sixteen members designated as consumers of service for the developmentally disabled. A consumer of services for the developmentally disabled is a person who (1) has a developmental disability or is the parent or guardian of such a person, or (2) is an immediate relative or guardian of a person with mentally impairing developmental disability, and (3) is not an employee of a State agency that receives funds or provides services under the provisions of ~~Part A, Title 1, P.L. 90-170, as amended, 'Mental Retardation Facilities and Community Health Centers Construction Act of 1963'~~ Part B, Title 1, P.L. 98-527, as amended, the Developmental Disabilities Act of 1984, is not a managing employee (as defined in Section 1126(b) of the Social Security Act) of any other entity that receives funds or provides services under such Part, and is not a person with an ownership or control interest (within the meaning of Section 1124(a)(3) of the Social Security Act) with respect to such an entity. Of these 16 members, at least one third shall be persons with developmental disabilities and at least another one third shall be the immediate relatives or guardians of persons with mentally impairing developmental disabilities, of whom at least one shall be an immediate relative or guardian of an institutionalized developmentally disabled person.

(3) Five members at large~~. The five at-large members shall be chosen from local agencies, nongovernmental agencies and groups concerned with services to persons with developmental disabilities, and higher education training facilities in North Carolina, or from the interested public at large.~~ as follows: One representative of the university affiliated facility, one representative of the State protection and advocacy system, one representative of a local agency, one representative of a nongovernmental agency or nonprofit group concerned with services to persons with developmental disabilities, and one representative from the public at large.

~~The initial members of the Council shall include the appointed members of the Council on Mental Retardation and Developmental Disabilities who shall serve for a period equal to the remainder of their current terms on the Council on Mental Retardation and Developmental Disabilities four of whose terms expire June 30, 1973,~~

~~four of whose terms expire June 30, 1974, two of whose terms expire June 30, 1975, and three of whose terms expire June 30, 1986. At the end of the respective terms of office of the initial members of the Council, t~~The appointments of all members, with the exception of those from the General Assembly and State agencies shall be for terms of four years and until their successors are appointed and qualify. Any appointment to fill a vacancy on the Council created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

The Governor shall make appropriate provisions for the rotation of membership on the Council.

(b) The Governor shall have the power to remove any member of the Council from office in accordance with the provisions of G.S. 143B-16~~ of the Executive Organization Act of 1973~~.

The Governor shall designate one member of the Council to serve as chairman at his pleasure.

Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

A majority of the Council shall constitute a quorum for the transaction of business.

All clerical and other services required by the council shall be supplied by the Secretary of Human Resources."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 379 **CHAPTER 781**

AN ACT TO MAKE AQUATIC WEED CONTROL PROJECTS ELIGIBLE FOR COST SHARING, AND TO ALLOW THE TOWN OF COLUMBIA AND TYRRELL COUNTY TO LEASE CERTAIN PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-215.71 reads as rewritten:

"§ *143-215.71. Purposes for which grants may be requested.*-- Applications for grants may be made for the nonfederal share of water resources development projects for the following purposes in amounts not to exceed the percentage of the nonfederal costs indicated:

(1) General navigation projects that are sponsored by local governments -- eighty percent (80%);

(2) Recreational navigation projects -- twenty-five percent (25%);

(3) Construction costs for water management (flood control and drainage) purposes, including utility and road relocations not funded by the State Department of Transportation -- sixty-six and two-thirds percent (66 2/3%), but only of that portion of the project specifically allocated for such flood control or drainage purposes;

(4) Stream restoration -- sixty-six and two-thirds percent (66 2/3%);

(5) Protection of privately owned beaches where public access is allowed and provided for -- seventy-five percent (75%);

(6) Land acquisition and facility development for water-based recreation sites operated by local governments -- fifty percent ~~(50%).~~ (50%);

(7) Aquatic weed control projects sponsored by local governments -- fifty percent (50%)."

Sec. 1.1. (a) G.S. 160A-272 is amended by deleting "10 years", and substituting "20 years"

(b) This section applies only to the Town of Columbia and Tyrrell County, and only applies as to property located on Water Street in the Town of Columbia."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 458 **CHAPTER 782**

AN ACT TO AMEND THE COMMUNICABLE DISEASE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-133(2) is rewritten to read:

"(2) 'Isolation authority' means the authority to limit the freedom of movement or action of a person or animal with a communicable disease or communicable condition for the period of communicability to prevent the direct or indirect conveyance of the infectious agent from the person or animal to other persons or animals who are susceptible or who may spread the agent to others."

Sec. 2. G.S. 130A-133(4) is amended in the first and second sentences by inserting "or action" between "movement" and "of", and is also amended in the first sentence by inserting "or communicable condition" between "disease" and "for".

Sec. 3. G.S. 130A-133 is amended by adding a new (5) as follows:

"(5) 'Communicable condition' means the state of being infected with a communicable agent but without symptoms."

Sec. 4. G.S. 130A-134 is amended in the catch line by inserting "*and conditions*" between "*Diseases*" and the period, and is further amended in the body of the section by inserting "and communicable conditions" between "diseases" and "to".

Sec. 5. G.S. 130A-135 is rewritten to read:

"§ *130A-135. Physicians to report.*--A physician licensed to practice medicine who has reason to suspect that a person about whom the physician has been consulted professionally has a communicable disease or communicable condition declared by the Commission to be reported, shall report information required by the Commission to the local health director of the county or district in which the physician is consulted."

Sec. 6. G.S. 130A-136 is rewritten to read:

"§ *130A-136. School principals and day-care operators to report.*--A principal of a school and an operator of a day-care facility, as defined in G.S. 110-86(3), who has reason to suspect that a person within the school or day-care facility has a communicable disease or communicable condition declared by the Commission to be reported, shall report information required by the Commission to the local health director of the county or district in which the school or facility is located."

Sec. 7. G.S. 130A-137 is rewritten to read:

"§ *130A-137. Medical facilities may report.*--A medical facility, in which there is a patient reasonably suspected of having a communicable disease or condition declared by the Commission to be reported, may report information specified by the Commission to the local health director of the county or district in which the facility is located."

Sec. 8. G.S. 130A-138 is rewritten to read:

"§ *130A-138. Operators of restaurants and other food or drink establishments to report.*--An operator of a restaurant or other establishment where food or drink is prepared or served for pay, as defined in G.S. 130A-247(4) and (5), shall report information required by the Commission to the local health director of the county or district in which the restaurant or food establishment is located when the operator has reason to suspect an outbreak of food-borne illness in its customers or employees or when it has reason to suspect that a food handler at the establishment has a food-borne disease or food-borne condition required by the Commission to be reported."

Sec. 9. G.S. 130A-139 is rewritten to read:

"§ *130A-139. Persons in charge of laboratories to report.*--A person in charge of a clinical or pathological laboratory providing diagnostic service in this State shall report information required by the

Commission to a public health agency specified by the Commission when the laboratory makes any of the following findings:

(1) Sputa, gastric contents, or other specimens which are smear positive for acid fast bacilli or culture positive for Mycobacterium tuberculosis;

(2) Urethral smears positive for Gram-negative intracellular diplococci or any culture positive for Neisseria gonorrhoeae;

(3) Positive serological tests for syphilis or positive darkfield examination;

(4) Any other positive test indicative of a communicable disease or communicable condition for which laboratory reporting is required by the Commission."

Sec. 10. G.S. 130A-140 is rewritten to read:

"§ *130A-140. Local health directors to report.*--A local health director shall report to the Department all cases of diseases or conditions or laboratory findings of residents of the jurisdiction of the local health department which are reported to the local health director pursuant to this Article. A local health director shall report all other cases and laboratory findings reported pursuant to this Article to the local health director of the county or district where the person with the reportable disease or condition or laboratory finding resides."

Sec. 11. G.S. 130A-141 is rewritten to read:

"§ *130A-141. Form, content and timing of reports.*--The Commission shall adopt rules which establish the specific information to be submitted when making a report required by this Article, time limits for reporting, the form of the reports and to whom reports of laboratory findings are to be made."

Sec. 12. G.S. 130A-142 is amended by adding before the period at the end of the section "as a result of making that report".

Sec. 13. G.S. 130A-143 is rewritten to read:

"§ *130A-143. Confidentiality of records.*--All information and records, whether publicly or privately maintained, that identify a person who has AIDS virus infection or who has or may have a disease or condition required to be reported pursuant to the provisions of this Article shall be strictly confidential. This information shall not be released or made public except under the following circumstances:

(1) Release is made of specific medical or epidemiological information for statistical purposes in a way that no person can be identified;

(2) Release is made of all or part of the medical record with the written consent of the person or persons identified or their guardian;

(3) Release is made to health care personnel providing medical care to the patient;

(4) Release is necessary to protect the public health and is made as provided by the Commission in its rules regarding control measures for communicable diseases and conditions;

(5) Release is made pursuant to other provisions of this Article;

(6) Release is made pursuant to subpoena or court order. Upon request of the person identified in the record, the record shall be reviewed *in camera.* In the trial, the trial judge may, during the taking of testimony concerning such information, exclude from the courtroom all persons except the officers of the court, the parties and those engaged in the trial of the case.

(7) Release is made by the Department or a local health department to a court or a law enforcement officer for the purpose of enforcing the provisions of this Article pursuant to Article 1, Part 2 of this Chapter.

(8) Release is made by the Department or a local health department to another state or local public health agency for the purpose of preventing or controlling the spread of a communicable disease or communicable condition;

(9) Release is made by the Department for bona fide research purposes. The Commission shall adopt rules providing for the use of the information for research purposes;

(10) Release is made pursuant to G.S. 130A-144(b); or

(11) Release is made pursuant to any other provisions of law that specifically authorize or require the release of information or records related to AIDS."

Sec. 14. G.S. 130A-144 is rewritten to read:

"§ *130A-144. Investigation and control measures.*--(a) The local health director shall investigate, as required by the Commission, cases of communicable diseases and communicable conditions reported to the local health director pursuant to this Article.

(b) Physicians and persons in charge of medical facilities or clinical or pathological laboratories shall, upon request and proper identification, permit a local health director or the State Health Director to examine, review, and obtain a copy of medical records in their possession or under their control which pertain to the diagnosis, treatment, or prevention of a communicable disease or communicable condition for a person infected, exposed, or reasonably suspected of

being infected or exposed to such a disease or condition.

(c) A physician or a person in charge of a medical facility or clinical or pathological laboratory who permits examination, review or copying of medical records pursuant to subsection (b) shall be immune from any civil or criminal liability that otherwise might be incurred or imposed as a result of complying with a request made pursuant to subsection (b).

(d) The attending physician shall give control measures prescribed by the Commission to a patient with a communicable disease or communicable condition and to patients reasonably suspected of being infected or exposed to such a disease or condition. The physician shall also give control measures to other individuals as required by rules adopted by the Commission.

(e) The local health director shall ensure that control measures prescribed by the Commission have been given to prevent the spread of all reportable communicable diseases or communicable conditions and any other communicable disease or communicable condition that represents a significant threat to the public health.

(f) All persons shall comply with control measures, including submission to examinations and tests, prescribed by the Commission subject to the limitations of G.S. 130A-148.

(g) The Commission shall adopt rules that prescribe control measures for communicable diseases and conditions subject to the limitations of G.S. 130A-148. Temporary rules prescribing control measures for communicable diseases and conditions shall be adopted pursuant to G.S. 150B-13."

Sec. 15. G.S. 130A-145 is rewritten to read:

"§ *130A-145. Local health director has quarantine and isolation authority.*--A local health director and the State Health Director are empowered to exercise quarantine and isolation authority. Quarantine and isolation authority shall be exercised only when and so long as the public health is endangered, all other reasonable means for correcting the problem have been exhausted, and no less restrictive alternative exists."

Sec. 16. Part 1 of Article 6 of Chapter 130A of the General Statutes is amended by adding a new section to read:

"§ *130A-148. Laboratory tests for AIDS virus infection.*--(a) For the protection of the public health, the Commission shall adopt rules establishing standards for the certification of laboratories to perform tests for Acquired Immune Deficiency Syndrome (AIDS) virus infection. The rules shall address, but not be limited to, proficiency testing, record maintenance, adequate staffing and confirmatory

testing. Tests for AIDS virus infection shall be performed only by laboratories certified pursuant to this subsection and only on specimens submitted by a physician licensed to practice medicine. This subsection shall not apply to testing performed solely for research purposes under the approval of an institutional review board.

(b) Prior to obtaining consent for donation of blood, semen, tissue or organs, a facility or institution seeking to obtain blood, tissue, semen or organs for transfusion, implantation, transplantation or administration shall provide the potential donor with information about AIDS virus transmission, and information about who should not donate.

(c) No blood or semen may be transfused or administered when blood from the donor has not been tested or has tested positive for AIDS virus infection by a standard laboratory test.

(d) No tissue or organs may be transplanted or implanted when blood from the donor has not been tested or has tested positive for AIDS virus infection by a standard laboratory test unless consent is obtained from the recipient, or from the recipient's guardian or a responsible adult relative of the recipient if the recipient is not competent to give such consent.

(e) Any facility or institution that obtains or transfuses, implants, transplants, or administers blood, tissue, semen, or organs shall be immune from civil or criminal liability that otherwise might be incurred or imposed for transmission of AIDS virus infection if the provisions specified in subsections (b), (c), and (d) of this section have been complied with.

(f) Specimens may be tested for AIDS virus infection for research or epidemiologic purposes without consent of the person from whom the specimen is obtained if all personal identifying information is removed from the specimen prior to testing.

(g) Persons tested for AIDS virus infection shall be notified of test results and counseled appropriately. This subsection shall not apply to tests performed by or for entities governed by Article 34 of G.S. Chapter 58, the Insurance Information and Privacy Protection Act, provided that said entities comply with the notice requirements thereof.

(h) The Commission may authorize or require laboratory tests for AIDS virus infection when necessary to protect the public health."

Sec. 17. G.S. 130A-155.1(d) is amended by adding before the period "unless after July 1, 1986, the person transfers, interrupts study for a period of six months or more, or graduates".

Sec. 18. G.S. 130A-156 is rewritten to read:

"§ *130A-156. Medical exemption.*--If a physician licensed to practice medicine in this State certifies that an immunization required by G.S. 130A-152 is or may be detrimental to a person's health due to the presence of a specific contraindication, the person is not required to receive the specified immunization as long as the contraindication persists."

Sec. 19. G.S. 130A-25 is amended by deleting subsection (b) and substituting the following:

"(b) A person convicted under this section for failure to obtain the treatment required by Part 3 or Part 5 of Article 6 of this Chapter, or for violation of G.S. 130A-144(g) or G.S. 130A-145 shall serve any prison sentence in McCain Hospital, Division of Prisons, Department of Correction, McCain, North Carolina; the North Carolina Correctional Center for Women, Division of Prisons, Department of Correction, Raleigh, North Carolina; or any other confinement facility designated for this purpose by the Secretary of Correction after consultation with the State Health Director. The Secretary of Correction shall consult with the State Health Director concerning the medical management of these persons.

(c) In addition to other means of early discharge, a person imprisoned for failure to obtain the treatment required by Part 3 or Part 5 of Article 6 of this Chapter, or for violation of G.S. 130A-144(g) or G.S. 130A-145 may be discharged before completion of the person's sentence upon determination by the District Court that discharge of the person would not create a danger to the public health. This determination shall be made only after the medical consultant of the confinement facility and the State Health Director, in consultation with the local health director of the person's county of residence, have made recommendations to the Court."

Sec. 20. G.S. 130A-163 and G.S. 130A-179 are repealed.

Sec. 21. This act shall become effective February 1, 1988, except that the provision in G.S. 130A-148(a), which requires laboratories to be certified in order to perform tests for AIDS virus infection, shall become effective July 1, 1988. However, upon ratification of this act, the Commission for Health Services may adopt rules pursuant to the authority granted under this act. These rules shall not be effective before February 1, 1988.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 609 **CHAPTER 783**

AN ACT TO MAKE VARIOUS AMENDMENTS TO THE GENERAL STATUTES AND TO CLARIFY CHAPTER 105 OF THE 1987 SESSION LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 28A-21-1 is amended after the first sentence by inserting a new sentence to read as follows: "The clerk of superior court in his discretion may allow the personal representative or collector to adopt a substitute date for the filing of the first and subsequent annual accounts; provided that the first account using the substitute date must be filed within one year of the opening of the estate or filing of a previous annual account."

Sec. 2. G.S. 35-1.7(4) is amended in the fourth sentence thereof by inserting between the words "guardian" and "unless" the words "without further proceedings".

Sec. 3. G.S. 136-17.2 is rewritten to read as follows:

"§ *136-17.2. Members of the Board of Transportation represent entire State.*--The chairman and members of the Board of Transportation shall represent the entire State in highway matters and not represent any particular person, persons, or area. The Board shall, from time to time, provide that one or more of its members or representatives shall publicly hear any person or persons concerning highway matters in each of said geographic areas of the State."

Sec. 4. Section 5 of Chapter 105 of the 1987 Session Laws is rewritten to read as follows:

"Sec. 5. G.S. 90-95(h)(3) is amended to read as follows:

'(3) Any person who sells, manufactures, delivers, transports, or possesses 28 grams or more of cocaine and any salt, isomer, salts of isomers, compound, derivative, or preparation thereof, or any coca leaves and any salt, isomer, salts of isomers, compound, derivative, or preparation of coca leaves, and any salt, isomer, salts of isomers, compound, derivative or preparation thereof which is chemically equivalent or identical with any of these substances (except decocanized coca leaves or any extraction of coca leaves which does not contain cocaine) or any mixture containing such substances, shall be guilty of a felony, which felony shall be known as "trafficking in cocaine" and if the quantity of such substance or mixture involved:

a. Is 28 grams or more, but less than 200 grams, such person shall be punished as a Class G felon and shall be sentenced to a term of at least seven years in the State's prison and shall

be fined not less than fifty thousand dollars ($50,000);

b. Is 200 grams or more, but less than 400 grams, such person shall be punished as a Class F felon and shall be sentenced to a term of at least 14 years in the State's prison and shall be fined not less than one hundred thousand dollars ($100,000);

c. Is 400 grams or more, such person shall be punished as a Class D felon and shall be sentenced to a term of at least 35 years in the State's prison and shall be fined at least two hundred fifty thousand dollars ($250,000).'"

Sec. 5. G.S. 113-28.1 is amended by deleting the last sentence of that section which reads as follows: "Such employees shall receive no additional compensation for performing the duties of special peace officers under this Article."

Sec. 6. G.S. 40A-3(b)(4) is amended by inserting immediately before the period the following phrase: " , or sewer and septic tank lines and systems".

Sec. 7. G.S. 15A-1371(h) and G.S. 15A-1380.2(h), as amended by Chapter 47 of the 1987 Session Laws, are amended in sub-subdivision a. of those sections by inserting between the word "transactions" and the comma the following phrase: "or his probationary sentence was revoked in the same such session of court".

Sec. 8. G.S. 17E-7(c) is amended in its second paragraph by deleting the word "deputy" and substituting the words "justice officer".

Sec. 9. Section 3 of Chapter 490, Session Laws of 1987, is rewritten to read:

"Sec. 3. This act applies to all applications for franchises filed on or after October 1, 1987."

Sec. 10. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 677 **CHAPTER 784**

AN ACT TO AUTHORIZE AREA AUTHORITIES TO USE STATE OR LOCAL FUNDS FOR THE PURCHASE OR REPAIR OF 24-HOUR AND DAY FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-147(b) and (j) are amended by deleting the word "residential" wherever it appears and substituting the phrase "24-hour and day".

Sec. 2. This act shall become effective September 1, 1987.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 746 **CHAPTER 785**

AN ACT TO ALLOCATE FUNDS TO A SPECIAL FUND OF THE DEPARTMENT OF PUBLIC EDUCATION, DIVISION OF PUBLIC INSTRUCTION FOR EXPANSION OF THE PUBLIC SCHOOLS' BASIC SKILLS PROGRAM IN ECONOMIC EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Of the funds appropriated to the Department of Public Education in Section 2 of Chapter 738, Session Laws of 1987, for staff development under the Basic Education Program, the Department of Public Education shall use at least the sum of forty thousand dollars ($40,000) for each year of the 1987-89 biennium for the Basic Skills Program in Economic Education.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 749 **CHAPTER 786**

AN ACT TO ENABLE THE COUNTY OF NEW HANOVER AND ALL MUNICIPALITIES THEREIN TO REGULATE REMOVAL OF TREES WITHIN THEIR REGULATORY JURISDICTION.

The General Assembly of North Carolina enacts:

Section 1. The County of New Hanover and all municipalities therein are authorized to enact ordinances to regulate the removal of trees from public and private property within their respective jurisdictions in order to preserve, protect and enhance one of the most valuable natural resources of the community and to protect and enhance the public health, safety and welfare of its citizens. Such ordinances by their terms may be made applicable to areas over which the entity is authorized to exercise extraterritorial jurisdiction pursuant to G.S. 160A-360 subject to approval of any other local government units having jurisdiction over the extraterritorial areas to be regulated. The boundaries of any extraterritorial jurisdiction shall be designated

utilizing the standards and procedures set forth in G.S. 160A-360 and may include areas under County or City/County jurisdiction with approval of the relevant governing body.

Sec. 2. No ordinance enacted pursuant to this authorizing legislation shall apply to any agricultural land, forestland or horticultural land as defined in N.C.G.S. 105-277.2 located in New Hanover County or any city therein.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 773 **CHAPTER 787**

AN ACT TO PREVENT CERTAIN UNFAIR METHODS OF COMPETITION IN THE ADVERTISING AND SALE OF INSURANCE; AND TO REQUIRE THE FAIR REPRESENTATION OF POLICY BENEFITS IN MEDICARE SUPPLEMENT POLICIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-54.4 is amended by adding a new subsection to read:

"(13) Overinsurance in credit or loan transactions. In connection with a loan or extension of credit secured by real or personal property or both, requiring the applicant to procure property and casualty insurance against any one risk which results in coverage which exceeds the replacement value of the secured property at the time of the loan or extension of credit. In connection with a secured or unsecured loan or extension of credit, requiring the applicant to procure life or health insurance against any one risk which exceeds the amount of the loan. In connection with a loan secured by both real and personal property, requiring credit property insurance, as defined in G.S. 58-359, on the personal property. For the purposes of this subsection 'amount of loan' shall be deemed to be the amount of principal and accrued interest to be paid by the debtor including other allowable charges."

Sec. 2. G.S. 58-42.1 is rewritten to read:

"§ *58-42.1. Twisting with respect to insurance policies; policies defined; penalties.*--No insurer, or the agent or broker of any insurer shall make or issue, or cause to be issued, any written or oral statement that willfully misrepresents or willfully makes an incomplete comparison as to the terms, conditions, or benefits contained in any

policy of insurance for the purpose of inducing or attempting to induce a policyholder in any way to terminate or surrender, exchange, or convert any insurance policy. Any person who violates this section is subject to the provisions of G.S. 58-9.7, 58-37 through 58-39, 58-42, and 58-44.4."

Sec. 3. G.S. 58-54.4(9) is amended by adding the following paragraph at the end:

"In advertising, sale, or solicitation for sale of any insurance policy represented or advertised to afford coverages and benefits supplemental to or in addition to Medicare coverage, all such advertising materials, except for advertisements which have as their objective the creation of a desire to inquire further about an insurance product and do nothing more than generally describe the product and invite inquiries for costs and further details of the coverage, including limitations, exclusions, reductions or limitations and terms under which the policy may be continued in force, in whatever medium, and all solicitation and presentations for the sale of such policies, shall contain specific references to major exclusions or major exceptions that may result in voiding liability or in a reduction of benefits below those primarily advertised. When such policies contain a coordination of benefits clause whereby benefits are limited by or prorated with other outstanding coverages, such provision shall be called to the attention of the prospective purchaser by conspicuously printed type no smaller than 10 point type. When such policies are advertised to provide coverage above Medicare payments, but contain provisions limiting benefits to those approved for payment by Medicare under Part B, such limitation in benefits shall be called to the attention of the prospective purchaser regardless of the advertising medium; and when policies containing such provisions are delivered, there shall be incorporated therein the language or affixed thereto a sticker in conspicuously printed type no smaller than 10 point type stating: *CAUTION: POLICY BENEFITS ARE LIMITED TO THOSE APPROVED BY MEDICARE FOR PAYMENT.* Any person engaged in the solicitation or sale of such supplemental Medicare policies in this State shall, as a part of the application, determine and list on the application all policies of Medicare supplement or other health insurance currently in force that cover the prospective insured. In compiling such information, the person is entitled to rely upon information furnished by the prospective purchaser or insured."

Sec. 4. This act shall become effective November 1, 1987.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 853 **CHAPTER 788**

AN ACT TO MAKE CHANGES IN THE CHILD DAY CARE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-85(3) is amended by deleting the phrase "day-care plans" and inserting the phrase "child day care homes".

Sec. 2. (a) G.S. 110-86(2) is rewritten to read "Child Day Care" means any child care arrangement wherein three or more children less than 13 years old receive care away from their own home by persons other than their parents, grandparents, aunts, uncles, brothers, sisters, first cousins, guardians or full-time custodians, or in the child's own home where other unrelated children are in care.

(b) G.S. 110-86(3) is amended by rewriting the first sentence to read: "'Day care facility' includes any child day care center or child care arrangement which provides day care for more than five children, not including the operator's own school-aged children, under the age of 13 years, on a regular basis of at least once per week for more than four hours but less than 24 hours per day, regardless of the time of day and regardless of whether the same or different children attend." The second sentence is amended by deleting the phrase "summer day camps which are run by nonprofit organizations exempt from taxation pursuant to Article 4 of Chapter 105 of the General Statutes".

G.S. 110-86(3) is further amended by adding a second paragraph to read:

"Day care facilities are separated by capacity into the following categories which determine applicable requirements and standards as established by the Commission pursuant to G.S. 110-88:

Facility Type
Large Home
Small Center
Medium Center
Large Center

The Commission shall establish the maximum capacity for each of the four categories of facilities."

(c) G.S. 110-86(4) is rewritten to read:

"'Child Day Care Home' means any day care program or child care arrangement wherein any person not excluded in G.S. 110-86(2) provides day care on a regular basis of at least once per week for more than four hours per day for more than two children under 13 years of age and fewer than six children at any one time, wherever operated, and whether or not operated for profit. The four hour limit

applies regardless of the time of day and regardless of whether the same or different children attend. Cooperative arrangements among parents to provide care for their own children as a convenience rather than for employment are not included.

To determine whether a child care arrangement is a child day care home, all children shall be counted except the operator's own school-aged children and school-aged children who reside at the location of the day care home. Notwithstanding the limitation to five children prescribed above, the day care home operator may care for three additional school-aged children."

(d) G.S. 110-86(6) is amended by deleting the word "Commission" and substituting the word "Secretary".

Sec. 3. (a) G.S. 110-88(1) is amended by deleting the phrase "the health and safety" and substituting the phrase "all applicable".

(b) G.S. 110-88(2) is rewritten to read:

"To require inspections by and satisfactory written reports from representatives of local or State health agencies and fire and building inspection agencies and from representatives of the Department prior to the issuance of a license to any day care facility."

(c) G.S. 110-88(3) is amended by deleting the word "plans" and substituting the word "homes" in the first sentence.

(d) G.S. 110-88(6) is amended by deleting the phrase "relating to health and safety" and by removing the comma after the word "finds" and deleting the phrase "and the Commission concurs in the finding".

(e) G.S. 110-88(6a) is rewritten to read:

"To make rules for administrative action against a day care facility or home when the Secretary's investigations pursuant to G.S. 110-105(a)(3) or G.S. 110-105.1(4) substantiate that child abuse or neglect did occur in the facility or home. The type of sanction shall be determined by the severity of the incident and the probability of reoccurrence. The administrative actions shall include written warnings and special provisional licenses or registration certificates.

A written warning may be issued which shall specify the corrective action to be taken by the operator. The Department shall make an unannounced visit within one month after issuance of the written warning to determine whether the corrective action has occurred. If the corrective action has not occurred, a special provisional license or registration certificate may be issued.

When a special provisional license or registration certificate is issued, it shall require specific corrective action. It shall be in effect for six months from imposition and may not be renewed. The special provisional license or registration certificate and the letter which clearly states the reasons for the special provisional status shall be posted where parents can see them. Under the terms of the special provisional license or registration, the facility or home shall not enroll any new children until notified by the Department that it is satisfied the abusive or neglectful situation no longer exists. The Department shall make three unannounced visits during the period the special provisional license is in effect. Specific corrective action required by a written warning, special provisional license or special provisional registration may include the permanent removal from day care of the substantiated abuser or neglecter.

Nothing in this subdivision shall restrict the Secretary from using any other statutory or administrative remedies available."

(f) G.S. 110-88 is amended by adding a new subdivision (10) to read:

"To develop rules for the issuance of a temporary license which shall expire in 90 days and which may be issued to the operator of a previously licensed facility when a change in ownership or location occurs, provided the operator applied for a license prior to the change in status."

(g) G.S. 110-88 is amended by adding a new subdivision (11) to read "to develop rules for the care of sick children in facilities and homes."

Sec. 4. (a) G.S. 110-90 is amended in subdivisions (1) and (7) by deleting the word "plans" and substituting the word "homes".

(b) G.S. 110-90(5) is rewritten to read "to revoke the license of any day care facility which ceases to meet the standards established by this Article. Such revocations shall be done in accordance with the procedures set out in G.S. 150B and this Article and rules adopted by the Commission."

(c) G.S. 110-90(9) is rewritten to read:

"To levy a civil penalty pursuant to G.S. 110-103.1, or an administrative penalty pursuant to G.S. 110-102.2, or to order summary suspension of a license or registration. Such actions shall be done in accordance with the procedures set out in G.S. 150B and this Article and rules adopted by the Commission."

(d) G.S. 110-90 is further amended by adding a new subdivision (10) to read:

"To issue final agency decisions in all G.S. 150B contested cases proceedings filed as a result of actions taken under this Article including, but not limited to the denial, revocation or suspension of a

license or the levying of a civil or administrative penalty."

Sec. 5. (a) G.S. 110-90.1 is amended by deleting the word "plan" and substituting the word "home" on each occurrence.

(b) G.S. 110-90.1 is amended in the second sentence by deleting the phrase "or a high school graduate" and substituting the words "and literate", and in the third sentence by deleting the phrase "who is not a high school graduate, and".

Sec. 6. (a) G.S. 110-91 is amended in the first sentence by deleting the phrase "relating to the health and safety of children".

(b) G.S. 110-91(1) is amended in the third sentence of the first paragraph by deleting the word "Commission" on its first occurrence and substituting the word "Secretary" and by deleting the word "Commission" on its second occurrence and substituting the word "Department".

(c) G.S. 110-91(1) is further amended in the first sentence of the second paragraph by placing a comma after the word "Examiners" and inserting the phrase "or comparable certifying board in any state contiguous to North Carolina,", and by deleting the words "two weeks" and substituting the words "30 days".

(d) G.S. 110-91(1) is amended in the fourth paragraph by inserting the word "written" between the word "specific" and the word "instructions" in the second sentence.

(e) G.S. 110-91(1) is further amended by rewriting the first sentence of the fifth paragraph to read:

"There shall be a separate bed, cot or mat, equipped with individual linen, for each child to use during rest periods, except for school-aged children; if a mat is used, it shall be of a waterproof, washable material at least two inches thick and shall be stored so that the floor side does not touch the sleeping side."

(f) G.S. 110-91(6) is amended in the second paragraph by inserting a new second sentence to read:

"The Commission shall adopt standards to establish minimum requirements for equipment appropriate for the size facility being operated pursuant to G.S. 110-86(3)."

(g) G.S. 110-91(7) is rewritten to read:

"Staff-Child Ratio. In determining the staff-child ratio, all children younger than 13 years shall be counted. The Commission shall adopt rules and regulations regarding staff-child ratios, group sizes and multi-age groupings for each category of facility provided that such rules and regulations shall be no less stringent than those currently required for staff-child ratios as enacted in Section 156(e) of Chapter 757 of the 1985 Session Laws."

(h) G.S. 110-91(8) is amended in the first paragraph by deleting the number "18" and substituting the number "16"; and by placing a comma after the word "age", deleting the phrase "or a high school graduate" and substituting the clause "provided that persons younger than 18 years of age work under the direct supervision of a literate staff person who is at least 21 years of age" in the second sentence, and by deleting the third sentence.

G.S. 110-91(8) is further amended by rewriting the first two sentences of the second paragraph to read:

"The Commission shall adopt standards to establish minimum qualifications for operators, supervisors, caregivers and other staff who have direct contact with the children. These standards shall reflect training, experience, education or credentialing and shall be appropriate for the size facility being operated according to the categories defined in G.S. 110-86(3)."

(i) G.S. 110-91(9) is amended in the last word of the first paragraph and in the third paragraph by deleting the word "Commission" and substituting the word "Department". G.S. 110-91(9) is further amended in the fourth paragraph by deleting the word "Commission" on its first occurrence and substituting the word "Department" and by deleting the word "Commission" on its second occurrence and substituting the word "Secretary".

(j) G.S. 110-91(12) is amended by adding a third sentence to read:

"The Commission shall establish minimum standards for age-appropriate activities appropriate for each category of facility as defined in G.S. 110-86(3)."

(k) G.S. 110-91(13) is amended in the fourth sentence by deleting the phrase "commercial vehicles, or other" and by inserting the phrase "by federal law" between the word "required" and the word "to".

G.S. 110-91(13) is amended in the first sentence of the second paragraph by deleting the word "exceed" and substituting the words "be less than".

Sec. 7. G.S. 110-93(b) is amended in the first sentence by deleting the phrase "effective for one year" and substituting the phrase "for no more than 12 months".

Sec. 8. G.S. 110-94 is amended by deleting the reference "150A" and substituting "150B".

Sec. 9. G.S. 110-98 is amended by deleting the word "plan" and substituting the word "home".

Sec. 10. G.S. 110-98.1 is amended by deleting the word "facility" in the catch line; by deleting the word "five" and substituting the word "two", and by removing the period and inserting

the phrase "or day care home." at the end of the Section.

Sec. 11. G.S. 110-101 is rewritten to read:

"Registration: Minimum standards for child day care homes. It shall be unlawful for any person to operate a day care home unless such day care home is registered with the Department in accordance with the requirements for registration adopted by the Commission. The person who is registered shall be the individual who is on site providing care. A registration certificate shall be issued and remain valid for a two-year period unless revoked, suspended or modified. Each home shall display its current registration certificate in a prominent place. The registration certificate shall remain the property of the State. Day care homes shall comply with the reasonable minimum standards for health, safety, and sanitation adopted by the Commission. Each day care home shall be located in a residence or other building which meets the requirements of the North Carolina Building Code under standards developed by the Building Code Council in consultation with the Division of Facility Services, and subject to adoption by the Commission, specifically for day care homes."

Sec. 12. G.S. 110-102.1 is amended in the catch line by inserting the words "or deceased" between the words "missing" and "children."; by numbering the existing paragraph "(a)" and adding a subsection to read:

"(b) If a child dies while in day care, or of injuries sustained in day care, a report of the death must be made by the day care operator to the Secretary within 24 hours of the child's death or on the next working day."

G.S. 110-102.1 is further amended by deleting the word "plan" and substituting the word "home".

Sec. 13. G.S. 110-102.2 is amended by deleting the first sentence and substituting the sentence:

"The Department may order one or more of the following sanctions for violation of a provision of this Article or the rules which implement it:".

G.S. 110-102.2 is further amended by deleting the last sentence and substituting the sentence:

"The issuance of an administrative penalty may be appealed as provided in G.S. 110-90(5) and G.S. 110-90(9)."

Sec. 14. G.S. 110-103 is amended by deleting the words "fifty dollars ($50.00)" and substituting the words "three hundred dollars ($300.00)".

Sec. 15. G.S. 110-103.1(c) is amended in the first sentence by deleting the phrase "After a hearing as provided in G.S 110-90(5), the" and substituting the word "The"; and by adding a new second

sentence to read:

"The issuance of an assessment may be appealed as provided in G.S. 110-90(9)."

G.S 110-103.1(c) is further amended by deleting the phrase "If the licensee assessed" and substituting the clauses "If after receipt of the notice, the licensee fails to exercise his appeal rights in accordance with G.S. 110-90(9) or", and by deleting the reference to "150A" and substituting "150B".

Sec. 16. G.S. 110-104 is amended by deleting the word "plan" on each occurrence and substituting the word "home".

Sec. 17. G.S. 110-105(a)(3) is amended in the second sentence by deleting the word "Commission" on the first two occurrences and substituting the word "Department", by deleting the phrase "at least two mandatory inspections" and substituting the words "an inspection", by deleting the word "any" and substituting the word "the", and by placing a period after the word "occurred" and deleting the rest of the sentence. The third sentence is rewritten to read:

"This inspection shall be conducted within seven calendar days of receipt of the report, and when circumstances warrant additional visits, the second inspection shall be conducted within one month of the first visit."

Sec. 18. (a) G.S. 110-105.1 is amended in the catch line by deleting the word "plans" and substituting the phrase "child day care homes".

(b) G.S. 110-105.1(a)(1) is amended by deleting the words "plan provider" and substituting "child day care home operator".

(c) G.S. 110-105.1(a)(2) is rewritten to read:

"A plan for announced inspections of randomly-selected registered homes prior to registration renewal;".

(d) G.S. 110-105.1(a)(3) is amended by deleting the word "routine" and by deleting the phrase "at regular intervals" and substituting the phrase "of randomly-selected registered homes".

(e) G.S. 110-105.1(a)(4) is amended by rewriting the second and third sentences to read:

"When the Department is notified by any person that alleged abuse or neglect has occurred in a child day care home, the Commission's rules shall provide for an inspection conducted without notice to the home to determine whether the alleged abuse or neglect has occurred. This inspection shall be conducted within seven calendar days of receipt of the report; and when circumstances warrant additional visits, the second inspection shall be conducted within one month of the first visit."

(f) This section is further amended by deleting the phrase "day-care plan" whenever it occurs and substituting the phrase "child day care home".

Sec. 19. G.S. 110-105.2 is amended by deleting the word "plans" and substituting the word"homes".

Sec. 20. (a) G.S. 110-106 is amended in the first sentence by inserting the phrase "or summer day camp" between the word "facility" and the word "operated".

(b) G.S. 110-106(b)(1) is rewritten to read:

"Church day care facilities shall file with the Department a notice of intent to operate a day care facility and the date it will begin operation at least 30 days prior to that date. Within 30 days after beginning operation, the facility shall provide to the Department written reports and supporting data which show the facility is in compliance with applicable provisions of G.S 110-91. After the church day care facility has filed this information with the Department, the facility shall be visited by a representative of the Department to assure compliance with the applicable provisions of G.S. 110-91."

(c) G.S. 110-106(b)(2) is amended in the first sentence by deleting the word "Commission" and substituting the word "Department", by deleting the phrase "G.S. 110-90.1 and" and by rewriting the second sentence to read:

"The reports shall be in accordance with rules adopted by the Commission."

This subdivision is further amended in the last sentence by deleting the word "Commission" and substituting the word "Department".

(d) G.S. 110-106(b)(3) is amended by deleting the word "Commission" and substituting the word "Department" on its first occurrence and substituting the word "Secretary" on the other three occurrences. This subdivision is further amended by deleting the words "After a hearing, the" at the beginning of the third sentence and substituting the word "The", and in the fourth sentence by deleting the phrase "the provisions of G.S. 110-90.1 and".

(e) G.S. 110-106(b)(4) and (5) are amended by deleting the phrase "G.S. 110-90.1 and" on each occurrence.

(f) G.S. 110-106(b)(4) is amended by inserting the words "including summer day camps" between the word "facilities" and the word "shall" in the first sentence.

(g) G.S. 110-106(c) is amended by the addition of a second sentence to read:

"No staff qualifications other than those prescribed by the first paragraph of G.S. 110-91(8) shall apply to religious sponsored day care facilities."

Sec. 21. G.S. 110-106.1 is amended by deleting the phrase "day-care plans" wherever it occurs and substituting the phrase "child day care homes". This section is further amended by deleting the period at the end of the section and adding the phrase "and 110-101, and with the minimum requirements for staff in a child day care home prescribed by G.S. 110-90.1."

Sec. 22. The Schedule of Applicability for implementation of minimum standards for child day care home set forth in Session Laws 1985, C. 757, s. 156(n) is amended to read:

"Subsections (i) through (m) of this section apply to child day care homes in existence or seeking registration according to the following schedule:

(1) For day care homes in counties with populations of 100,000 or more, on or after January 1, 1987;

(2) For day care homes in counties with populations of 50,000 or more, but less than 100,000, on or after January 1, 1988;

(3) For day care homes in counties with populations of less than 50,000, on or after July 1, 1988.

The 1980 census shall provide the population data."

Sec. 23. G.S. 143B-168.1. *Child Day-Care Licensing Commission-creation; powers and duties.* is repealed.

Sec. 24. G.S. 143B-168.2. *Child Day-Care Licensing Commission; members; selection; quorum; compensation.* is repealed.

Sec. 25. G.S. 143B-168.3 is amended by deleting the phrase "day-care plans" wherever it occurs and substituting the phrase "child day care homes".

Sec. 26. G.S. 143B-168.3(b) is amended to delete the words "or the Social Services Commission" in the second sentence.

Sec. 27. All child day care facilities and homes currently registered or licensed, or seeking licensing or registration, or operating in accordance with G.S. 110-106 or G.S. 110-106.1, shall comply with all current regulations applicable to the type of facility or home until such time as the Commission has adopted regulations adjusted for size of facility pursuant to Sections 2(b) and 6(f), (g), (h) and (j) of this act and appropriate implementation procedures. The Commission's rules shall become effective on or before July 1, 1988.

Sec. 28. All other sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 926 **CHAPTER 789**

AN ACT AMENDING THE CITY CHARTER OF THE CITY OF DURHAM AND CHAPTER 908, SESSION LAWS OF 1985 WITH RESPECT TO URBAN DEVELOPMENT PROJECTS.

The General Assembly of North Carolina enacts:

Section 1. Section 108.1(e) of the Charter of the City of Durham, being Chapter 671, 1975 Session Laws, as added by Chapter 727, Session Laws of 1985, is rewritten to read:

"(e) Construction of the project. The contract between the city and the developer or developers may provide that the developer or developers shall be responsible for: (i) construction of the entire urban development project, (ii) reconstruction and/or repair of the urban development project or any part thereof subsequent to construction of said project, (iii) construction of any addition to the urban development project, (iv) renovation of the urban development project or any part thereof, and/or (v) purchase of apparatus, supplies, materials, or equipment for the urban development project (whether during the initial equipping of the said project or subsequent thereto). If so, the contract shall include such provisions as the city council deems sufficient to assure that the public facility or facilities included in the project or added thereto are constructed, reconstructed, repaired and/or renovated, and the apparatus, supplies, materials and equipment purchased for the public facility or facilities included in the project, are purchased at a reasonable price and the provisions of Article 8 of Chapter 143 and Article 3 of Chapter 44A of the General Statutes shall not apply to such urban development project."

Sec. 2. Section 1(e) of Chapter 908, Session Laws of 1985, is rewritten to read:

"(e) Construction of the project. The contract between the county and the developer or developers may provide that the developer or developers shall be responsible for: (i) construction of the entire urban development project, (ii) reconstruction and/or repair of the urban development project or any part thereof subsequent to construction of said project, (iii) construction of any addition to the urban development project, (iv) renovation of the urban development project or any part thereof, and/or (v) purchase of apparatus, supplies, materials, or equipment for the urban development project (whether during the initial equipping of the said project or subsequent thereto).

If so, the contract shall include such provisions as the board of county commissioners deems sufficient to assure that the public facility or facilities included in the project or added thereto are constructed, reconstructed, repaired and/or renovated, and the apparatus, supplies, materials and equipment purchased for the public facility or facilities included in the project, are purchased at a reasonable price and the provisions of Article 8 of Chapter 143 and Article 3 of Chapter 44A of the General Statutes shall not apply to such urban development project."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 990 **CHAPTER 790**

AN ACT AUTHORIZING THE DEDICATION OF RECEIPTS GENERATED BY DEVELOPMENT OF THE CENTENNIAL CAMPUS TO THE USE OF NORTH CAROLINA STATE UNIVERSITY AT RALEIGH FOR OPERATION AND FURTHER DEVELOPMENT OF THE CENTENNIAL CAMPUS.

The General Assembly of North Carolina enacts:

Section 1. There is added to Chapter 116 of the General Statutes a new section, to read as follows:

"§ *116-36.4. Centennial Campus trust fund.*--All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further development of the Centennial Campus, including its operational development. This fund shall be treated in the manner of institutional trust funds as provided in G.S. 116-36.1. This fund shall be deemed an additional and alternative method of funding the Centennial Campus and not an exclusive one. For purposes of this section the term 'Centennial Campus' shall mean that real property and appurtenant facilities designated by the Board as part of the Centennial Campus of North Carolina State University at Raleigh. To the extent that any general, special, or local law is inconsistent with this section, it is declared inapplicable to this section."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1270 **CHAPTER 791**

AN ACT TO AMEND THE LAW REGARDING SCHOOL REASSIGNMENT HEARINGS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-369 is amended by rewriting the fifth sentence to read:

"At the hearing the local board of education shall consider the best interest of the child, the orderly and efficient administration of the public schools, the proper administration of the school to which reassignment is requested and the instruction, health, and safety of the pupils there enrolled, and shall assign said child in accordance with such factors."

Sec. 2. G.S. 115C-369 is amended by rewriting the fourth sentence to read:

"The local board of education may designate hearing panels composed of not less than two members of the board to hear such appeals in the name of the board of education. The panel's recommendations shall be submitted to the board of education for final determination."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1295 **CHAPTER 792**

AN ACT TO PROVIDE A SUPPLEMENTAL PENSION FOR COUNTY REGISTERS OF DEEDS THROUGH INCREASED FEES PURSUANT TO CHAPTERS 25 AND 161 OF THE NORTH CAROLINA GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 161 of the General Statutes is amended by adding a new Article 3 to read:

"Article 3.

"Register of Deeds' Supplemental Pension Fund Act of 1987.

"§ *161-50. Short title and purpose.*--(a) This Article shall be known and may be cited as the 'Registers of Deeds Supplemental Pension Fund Act of 1987'.

(b) The purpose of this Article is to create a pension fund to supplement local government retirement benefits which will attract the most highly qualified talent available within the State to the position of register of deeds.

"§ *161-50.1. Scope.*--(a) This Article provides supplemental pension benefits for all county registers of deeds who are retired from the Local Governmental Employees' Retirement System or an equivalent locally sponsored plan as herein described.

(b) The North Carolina Department of State Treasurer shall administer the provisions of this Article.

(c) The provisions of this Article shall be subject to future legislative change or revision, and no person is deemed to have acquired any vested right to a pension payment provided by this Article.

"§ *161-50.2. Assets.*--(a) On and after October 1, 1987, each County Commission shall remit monthly to the Department of State Treasurer an amount equal to four and one-half percent (4.5%) of the monthly receipts collected pursuant to Article 1 of Chapter 161 of the General Statutes, to be deposited to the credit of the Registers of Deeds' Supplemental Pension Fund, hereinafter referred to as the Fund, to be used in making monthly pension payments to eligible retired registers of deeds under the provisions of this Article and to pay the cost of administering the provisions of this Article.

(b) The State Treasurer shall be the custodian of the Registers of Deeds' Supplemental Pension Fund and shall invest its assets in accordance with the provisions of G.S. 147-69.2 and G.S. 147-69.3.

"§ *161-50.3. Disbursements.*--(a) Immediately following July 1, 1988, the Department of State Treasurer shall divide an amount equal to forty-five percent (45%) of the assets of the Fund at the end of the preceding fiscal year into equal shares and disburse the same as monthly pension payments to all eligible retired registers of deeds as of July 1, 1988, payable in accordance with the method described in G.S. 161-50.5, except that such pension benefit shall be computed for a six-months basis beginning with the month of July, 1988.

(b) Immediately following January 1, 1989, and the first of January of each succeeding calendar year thereafter, the Department of State Treasurer shall divide an amount equal to ninety percent (90%) of the assets of the Fund at the end of the preceding calendar year into equal shares and disburse the same as monthly payments in accordance with the provisions of this Article.

(c) The remaining ten percent (10%) of the Fund's assets as of December 31, 1988, and at the end of each calendar year thereafter, may be used by the Department of State Treasurer in administering the provisions of this Article. For the six-month period commencing

July 1, 1988, five percent (5%) of the Fund's assets at the end of the preceding fiscal year may be used for this purpose.

(d) All the Fund's disbursements shall be conducted in the same manner as disbursements are conducted for other special funds of the State.

(e) If, for any reason, the Fund shall be insufficient to pay any pension benefits or other charges, then all benefits or payments shall be reduced pro rata for as long as the deficiency in amount exists. No claim shall accrue with respect to any amount by which a pension payment shall have been reduced.

"§ *161-50.4. Eligibility.*--(a) Each county register of deeds who has retired with at least 12 years eligible service as register of deeds from the Local Governmental Employees' Retirement System or an equivalent locally sponsored plan before June 30, 1988, and those who retire thereafter who have completed at least 12 years of eligible service as register of deeds is entitled to receive a monthly pension under this Article, beginning July 1, 1988.

(b) Each eligible retired register of deeds as defined in subsection (a) of this section relating to service and retirement status on January 1 of each calendar year shall be entitled to receive a monthly pension under this Article beginning with the month of January of the same calendar year.

"§ *161-50.5. Benefits.*--(a) An eligible retired register of deeds shall be entitled to receive an annual pension benefit, payable in equal monthly installments, equal to one share for each full year of eligible service as register of deeds multiplied by his total number of years of eligible service. The amount of each share shall be determined by dividing the total number of years of eligible service for all eligible retired registers of deeds on December 31 of each calendar year into the amount to be disbursed as monthly pension payments in accordance with the provisions of G.S. 161-50.3. In no event, however, shall a monthly pension under this Article exceed an amount, which when added to a retirement allowance at retirement from the Local Governmental Employees' Retirement System or an equivalent locally sponsored plan, and a determined life annuity value of benefits payable at the time of retirement from contributions other than his own and earnings thereon from the Supplemental Retirement Income Plan pursuant to Chapter 135 of the General Statutes as determined by the Department of State Treasurer and the Plan's Board of Trustees, is greater than sixty-five percent (65%) of a register of deed's equivalent annual salary immediately preceding retirement computed on the latest monthly base rate, to a maximum amount of

one thousand dollars ($1,000).

(b) All monthly pensions payable under this Article shall be paid on the last business day of each month.

(c) Monthly pensions payable under this Article shall cease at the death of the pensioner and no payment will be made to any beneficiaries or to the decedent's estate.

(d) Monthly pensions payable under this Article will cease upon the full-time reemployment of a pensioner with an employer participating in the Local Governmental Employees' Retirement System for as long as the pensioner is so reemployed.

(e) Pensions paid under the provisions of this Article shall be exempt from North Carolina income tax.

(f) Nothing contained in this Article shall preclude or in any way affect the benefits that a pensioner may be entitled to from any state, federal or private pension, retirement or other deferred compensation plan."

Sec. 2. G.S. 161-10(a)(1) is amended by deleting "four dollars ($4.00) for the first page," and substituting "five dollars ($5.00) for the first page," and further by deleting "one dollar and fifty cents ($1.50)" and substituting "two dollars ($2.00)," and adding as a last sentence "If a document is presented for registration, or filing, that consists of two or more instruments and the first page of the document shows the title of each instrument contained in the document, the fee shall be ten dollars ($10.00) for each additional instrument. The register of deeds shall not be required to index any instrument that is a part of a document containing multiple instruments unless the title of that instrument is shown on the first page of the document. A document consists of multiple instruments when it contains two or more instruments with different legal consequences or intent, each of which could be registered or filed alone."

Sec. 3. G.S. 161-10(a)(2) is amended by deleting "fifteen dollars ($15.00)" and substituting "twenty dollars ($20.00)."

Sec. 4. G.S. 161-10(a)(3) is amended by deleting "twelve dollars and fifty cents ($12.50)" and substituting "nineteen dollars ($19.00)".

Sec. 5. G.S. 161-10(a)(8) is amended by adding as a last sentence "Provided however, a Register of Deeds may issue without charge a certified Birth Certificate to any person over the age of 65 years."

Sec. 6. G.S. 25-9-403(5) is amended by deleting "five dollars ($5.00)" and substituting "eight dollars ($8.00)," and by deleting the words "for an approved statutory form statement as prescribed in G.S. 25-9-402 when printed on a standard-size form approved by the

Secretary of State, and for all other statements, the fee is ten ($10.00). There shall be an additional two dollars ($2.00) for each financing statement and continuation statement subject to subsection (5) of G.S. 25-9-402."

Sec. 7. G.S. 25-9-405(1) is amended by deleting "five dollars ($5.00)" and substituting "eight dollars ($8.00)," and by deleting the words "when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars ($10.00)."

Sec. 8. G.S. 25-9-405(2) is amended by deleting "five dollars ($5.00)" and substituting "eight dollars ($8.00)," and by deleting the words "when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars ($10.00). When the assignment is of a financing statement subject to subsection (5) of G.S. 25-9-402, there shall be an additional fee of two dollars ($2.00)."

Sec. 9. G.S. 25-9-406 is amended by deleting "five dollars ($5.00)" and substituting "eight dollars ($8.00)," and by deleting the words "when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars ($10.00). There shall be an additional fee of two dollars ($2.00) when the statement of release affects a financing statement subject to subsection (5) of G.S. 25-9-402".

Sec. 10. G.S. 25-9-407(2) is amended by deleting "fee for such a certificate shall be five dollars ($5.00)" and substituting "fee for such a certificate shall be eight dollars ($8.00)," and by deleting the words "plus one dollar ($1.00) for each financing statement and for each statement of assignment reported therein," and by deleting "debtor for a fee of five dollars ($5.00)" and substituting "debtor for a fee of eight dollars ($8.00)."

Sec. 11. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1710 **CHAPTER 793**

AN ACT CONCERNING TESTING OF SWINE FOR DISEASE.

The General Assembly of North Carolina enacts:

Section 1. Chapter 106 of the General Statutes is amended by adding the following new section:

"§ *106-400.1. Swine disease testing.*--In order to control or prevent the spread of swine diseases, the Board of Agriculture may adopt rules

authorizing the State Veterinarian or his representative to enter, at reasonable times, the premises where swine are kept and to examine the swine and obtain blood or tissue samples for testing purposes. The State Veterinarian shall also have the authority to quarantine swine which have not been properly tested."

Sec. 2. The Department of Agriculture shall implement this act with funds available to the Department.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1945 **CHAPTER 794**

AN ACT TO PROVIDE FOR A TRAINING PROGRAM FOR SCHOOL CUSTODIANS.

The General Assembly of North Carolina enacts:

Section 1. The Department of Public Education may use up to one-fourth of one percent (.25%) of the funds appropriated to it for school custodians for the 1987-88 fiscal year in Chapter 738, Session Laws of 1987 to employ personnel to establish and conduct a training program for custodians. This training program shall be performed on a local or regional basis.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1516 **CHAPTER 795**

AN ACT TO MAKE APPROPRIATIONS TO PROVIDE CAPITAL IMPROVEMENTS FOR STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES EXCEPT FOR AID TO CERTAIN GOVERNMENTAL AND NONGOVERNMENTAL UNITS.

The General Assembly of North Carolina enacts:

Requested by: Rep. Watkins, Sen. Plyler

------TITLE/PURPOSES

Sec. 1. This act shall be known as "The Capital Improvement Appropriations Act of 1987".

Sec. 2. The appropriations made by the 1987 General Assembly for capital improvements are for constructing, repairing and renovating State buildings, utilities, and other capital facilities, for

acquiring sites for them where necessary, and for acquiring buildings and land for State government purposes.

Requested by: Rep. Watkins, Sen. Plyler
-----PROCEDURES FOR DISBURSEMENTS

Sec. 3. The appropriations made by the 1987 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds may not be made by any State department, institution or agency, until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the Executive Budget Act, Article I of Chapter 143 of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects including the source of funds, interest rate, and liquidation period: Provided, however, that if Director of the Budget approves a method of financing those projects, he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Where direct capital improvement appropriations include the purpose of furnishing movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget.

Capital improvement projects authorized by the 1987 General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in this act.

-----CAPITAL IMPROVEMENTS/GENERAL FUND

Sec. 4. .Appropriations are made from the General Fund for use by the State departments, institutions, and agencies to provide for capital improvements according to the following schedule:

Capital Improvements	1987-88	1988-89
Department of Administration (Total)	$ 14,300,000	$25,000,000
.01 Construction of Underground Parking and Thermal Storage Facility	3,600,000	-
.02 New Museum of History-Supplement	8,000,000	-

.03 Construction of a new Education Building	-	25,000,000
.04 Bath Building Renovation for Additional Health Laboratory Space	2,600,000	-
.05 Office of Administrative Hearings-Roof Repairs and Removal of Handicap Barriers	100,000	-
Department of Cultural Resources (Total)	475,000	575,000
.01 Ziegler House in Edenton-Renovations and Equipment	25,000	-
.02 New History Museum-Equip the Sports Hall of Fame Exhibit	-	250,000
.03 Museum of the Cape Fear in Fayetteville-Renovations	125,000	-
.04 Thomas Wolfe Memorial - Construction of a New Visitors Center	325,000	325,000
Department of Agriculture (Total)	4,126,180	1,600,700
.01 Western Farmers' Market-		
a. Addition to the Fruit and Vegetable Building	280,000	-
b. Construction of a Small Truck Shed	50,000	-
.02 Western N.C. Agriculture Center-Paving	225,000	-
.03 Watercraft Museum-Construction of a New Facility	259,000	-
.04 Raleigh Farmers' Market Completion of New Facility	-	1,500,000
.05 Triad Farmers' Market-Purchase of Land	3,000,000	-

.06 Oxford Tobacco Research Station-Construction of a Farm Storage/ Maintenance Building and a Supervisor's Dwelling	157,400	100,700
.07 Mountain Research Station at Waynesville-Construction of a Multi-Purpose Education Building	154,780	-
Department of Commerce (Total)	19,900,000	16,000,000
.01 State Ports-Expansion, Modernization and Development and Purchase of Radio Island	19,900,000	16,000,000
Department of Natural Resources and Community Development (Total)	9,234,000	8,450,000
.01 N.C. Zoological Park-Continued Development of the North American Phase	6,000,000	-
.02 Toxic Metal and Organic Analytical Laboratory-Planning and New Construction	600,000	7,800,000
.03 Reserve for Civil Works Projects	1,409,000	-
.04 Jordan State Forest Development	400,000	-
.05 Bladen Lake State Park-Restroom Facilities	25,000	-
.06 Marine Fisheries-Complete Construction of Building in Morehead City	150,000	-
.07 Wildlife Resources-Acquisition of the Timber Deed on Conine Island Tract, Bertie County	650,000	650,000

Department of Crime Control and Public Safety		202,967	-
.01 Armory Construction 60-person Armory, Marion			
Total Requirements	$1,059,186		
Less Federal Receipts	775,640		
Less Local Receipts	141,773		
Appropriation		141,773	-
.02 Supplemental Funds for Armories in Wadesboro and Taylorsville		61,194	-
Department of Correction (Total)		6,765,000	-
.01 Reserve for Prison Recreation Facilities and for Repairs and Renovations		5,000,000	-
.02 Cumberland County-Reserve for Work Release Facility		1,230,000	-
.03 Washington County Prison Unit at Creswell-Drainage System		85,000	-
.04 Western Correctional Center-Construction of a Chapel		450,000	-
Department of Justice (Total)		1,961,800	-
.01 Justice Academy Dormitory Building		1,961,800	-
Department of Human Resources (Total)		4,510,563	5,436,300
.01 Cherry Hospital-			
a. Renovate Water Plant		266,500	-
b. Renovate Waste Water Treatment Plant		730,700	-
.02 Broughton Hospital- Air Condition Patient Living Area		169,000	3,286,000

.03 Jackson Training School- Construction of two new dorms	150,000	2,150,300
.04 Dobbs School- Construction of a Multi-Purpose Building	195,000	-
.05 Eastern School for the Deaf in Wilson -		
a. Renovate three dormitories	511,000	-
b. Air Condition Eagle Hall	89,000	-
.06 Black Mountain Center -		
a. Renovate Moore Hall Second Floor Wing	100,000	-
b. Correct ICF/MR Deficiencies and remove asbestos	1,380,924	-
.07 Juvenile Evaluation Center -		
a. Replace window screens	88,439	-
b. Construction of a new Vocational Building	680,000	-
c. Paving and Road improvements	150,000	-
Department of Community Colleges (Total)	25,888,125	19,461,266
University of North Carolina Board of Governors (Total)	63,018,200	52,684,400
.01 Appalachian State University - Classroom Building for College of Business	5,500,000	4,188,000
.02 East Carolina University -		
a. Sports Medicine Physical Education Facility	2,200,000	2,225,500
b. Renovations/Additions to the Brody Building	2,100,000	2,100,000

.03 Fayetteville State University - New School of Business Administration Building	3,000,000	3,350,000
.04 North Carolina A & T University - New Library Building	7,000,000	7,823,000
.05 North Carolina Central University - Renovation of Major Facilities	2,000,000	2,485,000
.06 North Carolina State University -		
a. Forest Resources - Expansion of Robertson Pulp and Paper Lab	4,402,000	-
b. Textile School Facilities Equipment	3,000,000	3,000,000
.07 Pembroke State University - Addition to Oxendine Science Building	1,200,000	1,253,600
.08 University of North Carolina at Asheville -		
a. Graduate Center and Classroom Building	5,558,500	-
b. Western North Carolina Arboretum	-	1,449,500
.09 University of North Carolina at Chapel Hill -		
a. Biology/Biotechnology Building	5,000,000	5,994,500
b. Alcohol Studies Center	2,000,000	2,255,700
c. Family Physicians Center	3,600,000	3,665,000
d. Construction of a Community Learning and Living Center for Autistic Adults (TEACCH)	638,000	-

.10 University of North Carolina at Charlotte		
a. Office/Classroon Building for College of Architecture	3,600,000	3,657,000
b. College of Engineering, Applied Research Lab Facility	-	6,500,000
.11 University of North Carolina at Greensboro - Land Acquisition	3,000,000	-
.12 Western Carolina University -		
a. Warehouse and Storage Building	1,829,700	-
b. Renovate Stillwell Building	3,520,000	-
c. Renovate McKee Building and Hoey Auditorium	-	2,737,600
.13 University Advance Planning Funds	3,280,000	-
.14 Agricultural Programs -		
a. Mountain Horticulture Crops Research Station and Extension Center at Fletcher - Landscaping and Renovations	140,000	-
b. North Carolina State University - Complete construction of stalls at Equine Teaching Facility	200,000	-
c. North Carolina State University - completion of Swine Research Facility	250,000	-
Office of State Budget and Management (Total)	7,363,200	-
.01 Reserve for Repairs and Renovations	7,038,200	-
GRAND TOTAL - GENERAL FUND	$157,420,035	$129,207,626

-----CAPITAL IMPROVEMENTS/HIGHWAY FUND

Sec. 5. Appropriations are made from the Highway Fund for use by the State departments, institutions, and agencies to provide for capital improvements according to the following schedule:

	1987-88	1988-89
Division of Motor Vehicles		
.01 Driver License - Patrol Office, Newton	$ 102,400	-
.02 Renovation of Motor Vehicles Building, Raleigh	36,400	-
.03 Roof Replacements at Three Locations	124,800	-
.04 Building Additions at Nine Locations	903,600	-
.05 Building Addition, Elizabeth City	56,900	-
.06 Building Addition, Gastonia	-	106,500
.07 Resurface Parking Lots at Four Locations	-	49,300
.08 Building Addition, Rocky Mount	-	106,800
.09 Electrical Renovations, C and L Garage, Raleigh	-	45,200
Division of Highways		
.01 Division Equipment Shop, North Wilkesboro	2,734,000	-
.02 Maintenance Headquarters, Taylorsville	450,000	-
.03 Equipment Repair Shop, Spruce Pine	32,000	598,000

.04 Division Equipment Shop, Fayetteville	115,000	2,142,500
.05 Division Sign Shop, Albemarle	32,000	610,000
.06 Equipment Repair Shop, Andrews	43,000	814,200
.07 Maintenance Warehouse, Sandy Ridge	14,000	218,000
.08 Equipment Repair Shop, Selma	46,000	870,600
.09 Salt Storage Facilities, Statewide	-	292,000
.10 Ferry Replacement and Facility Renovation	2,500,000	3,500,000
.11 Boiler Replacement H & T Central Lab, Raleigh	58,000	-
.12 Sewer Line, Division Complex, Wilmington	112,000	-
.13 Renovation to Thompson Building, Raleigh	21,000	387,800
.14 Bridge Maintenance Office, Boone	-	11,000
.15 Equipment Repair Shop, Burnsville	-	36,000
.16 Equipment Repair Shop, Shallote	-	27,000
.17 Equipment Repair Shop, Williamston	-	45,000
.18 Consolidation of Currituck/Dare Counties Bridge Maintenance Yards	-	500,000

.19 Maintenance Headquarters, Monroe	-	34,000
Other Agencies		
.01 Department of Crime Control and Public Safety - Law Enforcement Precision Driving Track	2,654,000	-
.02 Highway Patrol - Upgrade Communications Tower And Radio System, Greensboro	250,000	-
GRAND TOTAL - HIGHWAY FUND	$10,285,100	$10,393,900

Requested by: Sen. Thomas, Rep. Murphy
-----OFFICE OF ADMINISTRATIVE HEARINGS/CAPITAL FUNDS REVERSION

Sec. 6. (a) Funds in the amount of four hundred twenty-five thousand dollars ($425,000) appropriated by Section 4 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986) to the Department of Administration to purchase the Credit Union Building for the Office of Administrative Hearings shall revert to the General Fund.

Requested by: Rep. Watkins, Sen. Plyler, Royall
-----REPAIR AND RENOVATION RESERVE ALLOCATIONS

Sec. 7. Of the funds appropriated to the Repair and Renovation Reserve in Section 4 of this act, the sum of six million six hundred eighty-nine thousand two hundred sixteen dollars ($6,689,216) shall be allocated as follows:

(1)	Town of Salemburg Sewer Project		$ 100,000
(2)	School of Science and Mathematics		2,306,400
(3)	North Carolina Museum of Art-Landscaping		475,000
(4)	State Parks		
Carolina Beach		Complete bulkhead, replace 30 slips	900,000
Cliffs of the Neuse		Dam inlet structure repair	60,000
		Water system improvements	166,208
Duke Power		Renovate swim area building roofs	75,000

Fort Macon	Replacement of water line from plant to fort	152,000
	Shelter renovations	75,000
Hammmocks Beach	Well and pump for water system on Bear Island	316,800
Hanging Rock	Replace underground power line	70,694
Kerr Lake	Water system improvement --Nutbush	146,000
	Water system improvement --Hibernia	112,000
	Toilet building renovation --Bullocksville	62,002
	Pave use area/improve Satterwhite Point	97,337
	Water system improvement --County Line	88,368
Merchants Millpond	Improve drainage	25,000
Morrow Mountain	Renovate bathhouse and swimming pool	750,000
	Water system improvements	116,407
	Renovate bathroom complex --3 buildings	165,000
Waynesborough Park	Construction of amphitheater (matching fund)	330,000
	Ranger residence	$ 100,000
		$3,807,816

Requested by: Sen. Thomas, Rep. Murphy
-----RESERVE FOR ADVANCE PLANNING

Sec. 8. The Division of State Construction shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on how it intends to spend funds from the Reserve for Advance Planning at least 45 days before it spends the funds.

The Division of State Construction shall also report the results of any project on which it uses funds from the Reserve for Advance Planning to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

Requested by: Rep. Watkins, Sen. Plyler
-----N.R.C.D. LABORATORY REPORT

Sec. 9. The Department of Administration shall report to the Joint Legislative Commission on Governmental Operations on

proposed plans and proposed location for the Department of Natural Resources and Community Development, Toxic Metal and Organic Analytical Laboratory prior to determining a site for the laboratory.

Requested by: Sen. Basnight, Rep. Bruce Ethridge, Rep. Colton
-----RENOVATION OF THE SEABOARD BUILDING

Sec. 10. Of the funds appropriated to the Office of State Budget and Management in Section 4 of this act for repairs and renovations for the 1987-88 fiscal year, the sum of two hundred eighty-nine thousand dollars ($289,000) shall be used to renovate the Seaboard Building.

Requested by: Rep. Bob Etheridge
-----HARNETT PRISON CHAPEL FUNDS/DO NOT REVERT

Sec. 11. (a) Section 217(a) of Chapter 1014 of the 1985 Session Laws reads as rewritten:

"(a) Funds in the amount of fifty thousand dollars ($50,000) were appropriated to the Department of Correction in Section 3 of Chapter 971 of the 1983 Session Laws for the construction of a chapel at Harnett Correctional Center. These funds may not revert but shall remain available for expenditure for this purpose until June 30, ~~1987.~~ 1988."

(b) This section shall become effective June 30, 1987.

Requested by: Sen. Marvin, Rep. Holt
-----RENOVATION AND USE OF BUILDING A AT CHERRY HOSPITAL

Sec. 12. Funds authorized in Section 207 of Chapter 1014 of the 1985 Session Laws (Regular Session, 1986) in the amount of one hundred thirty-four thousand dollars ($134,000) from the Reserve for Prison Needs to renovate Building A at Cherry Hospital for use as a minimum custody facility for female inmates are transferred to a capital improvement account of the Department of Correction. These funds shall be used for renovations of Caledonia Prison dormitories that are proposed in the settlement agreement in the case of Stacker v. Woodard. All other provisions of Section 207 of Chapter 1014 of the 1985 Session Laws (Regular Session, 1986) are repealed.

Requested by: Rep. Watkins
-----VANCE COUNTY PRISON UNIT (GILLBURG) VOCATIONAL BUILDING

Sec. 13. Of the funds appropriated to the Prison Repair and Renovation Reserve in Section 4 of this act, the sum of fifteen thousand dollars ($15,000) shall be used to defray the cost of the

vocational building at the Vance County Prison Unit (Gillburg).

Requested by: Sen. Marvin
-----ELECTRONIC PERIMETER SECURITY SYSTEM AT STATE PRISON PROHIBITED.

Sec. 14. (a) The General Assembly has examined the issue of electronic perimeter security systems, and finds that such systems should be tested by use at two correctional facilities before authorizing the use of such a system by all State correctional facilities.

(b) Except as otherwise authorized by the General Assembly, no electronic perimeter security system may be purchased for or installed at any custodial or correctional facility operated by the Department of Correction. No electronic perimeter security system may be purchased for or installed at any custodial or correctional facility authorized for construction or renovation under Chapter 3 of the 1987 Session Laws, except that such a system may be purchased and installed at the new Craggy Prison in Buncombe County and at McCain Prison in Hoke County.

(c) The Department of Correction, when it finds that such systems are fully tested, may recommend to the General Assembly that the installation of electronic perimeter security systems at other State custodial or correctional facilities be reconsidered.

Requested by: Sen. Marvin, Rep. Holt
-----REPORT ON IMPROVED CORRECTIONAL FACILITIES

Sec. 15. (a) The Office of State Budget and Management and the Department of Correction shall provide quarterly reports to the Chairmen of the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House, the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division on expenditures of funds appropriated by the 1985 General Assembly for capital projects of the Department of Correction in the South Piedmont Area and at the Montgomery County Unit. These reports shall continue to be made until the completion of these projects.

The Office of State Budget and Management and the Department of Correction shall submit a final report on expenditures and progress in achieving necessary improvements in the South Piedmont Area and at the Montgomery County Unit to the Governor, the Chairmen of the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House, the Chairmen of the Appropriations Committee and the Base Budget Committee in the

Senate, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division immediately following completion of these improvements.

(b) The Office of State Budget and Management and the Department of Correction shall also provide quarterly reports to the Chairmen of the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House, the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on expenditures of funds appropriated by the 1987 General Assembly for capital projects of the Department of Correction. The reports shall include information on which contractors have been selected, what contracts have been entered into, the projected and actual occupancy dates of facilities contracted for, the number of prison beds to be constructed on each project, the location of each project, and the projected and actual cost of each project. These reports shall continue to be made until the completion of these projects.

Requested by: Sen. Rand
-----CUMBERLAND COUNTY WORK RELEASE CENTER FUNDS

Sec. 16. Funds appropriated in Section 4 of this act for the Cumberland County Work Release Center shall be released to Cumberland County when it is ready to begin design and construction.

Requested by: Rep. Anderson
-----CHERRY HOSPITAL BUILDING STUDY

Sec. 17. The Department of Administration shall study and recommend the use of vacant and underutilized buildings at Cherry Hospital. The Department shall report the results of the study to the Chairmen of the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House, the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, the Chairmen of the Joint Appropriations Committees on Justice and Public Safety, the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by March 15, 1988.

Requested by: Representative Beall
-----WESTERN REGIONAL HEALTH CENTER

Sec. 18. Of the funds appropriated in Section 4 of this act to the Department of Community Colleges the sum of nine hundred forty-five thousand dollars ($945,000) for the 1987-88 fiscal year shall be used for capital improvements for the Western North Carolina Regional

Allied Health and Geriatric Training Center of Southwestern Technical College, for fixed and moveable equipment and furnishings. No local matching funds are required.

Requested by: Rep. Watkins, Sen. Plyler

-----ALLOCATION OF COMMUNITY COLLEGE CAPITAL FUNDS

Sec. 19. Funds are appropriated to the Department of Community Colleges in Section 4 of this act in the sum of twenty-five million eight hundred eighty-eight thousand one hundred twenty-five dollars ($25,888,125) for the 1987-88 fiscal year and the sum of nineteen million four hundred sixty-one thousand two hundred sixty-six dollars ($19,461,266) for the 1988-89 fiscal year for capital improvements. These funds shall be allocated as follows:

	Institution	Project	1987-88	1988-89
.01	Central Piedmont CC	High Technology Center	$ 1,586,275	$ -0-
.02	TC of Alamance	Complete Classroom Lab Building	450,000	400,000
.03	Mayland TC	LRC, Shop/ Renovations	500,000	544,750
.04	Wayne CC	Vocational & Social Sciences Building	1,000,000	1,000,000
.05	Pitt CC	Vocational Building	510,170	200,830
.06	Wake TC	Health Education Building	1,000,000	1,175,000
.07	Rowan TC	General Purpose Building-Cabarrus Co.	-	500,000
.08	Sampson TC	Complete 2nd Floor Adult Education/ Student Center	251,250	-

.09	Sandhills CC	Complete Library/ Performing Arts and provide for increased costs of project	400,000	-
.10	Cape Fear TI	Satellite in Pender County	300,000	-
.11	Craven CC	Student Activity Center	300,000	300,000
.12	Caldwell CC &TI	Technical Skills Building	750,000	740,000
.13	Vance-Granville CC	Small Business Ctr. Granville Satellite	250,000 300,000	500,000 -
.14	Randolph TC	Planning Money	200,000	700,000
.15	Nash TC	Student Center/ Library	-	500,000
.16	Blue Ridge TC	Library/Student Center	-	588,000
.17	Cleveland TC	Student Activities Center	1,300,000	1,300,000
.18	Wilkes CC	Skills Center & Power Mechanics Renovations	700,000	-
.19	Halifax CC	Student Development Ctr. Completion	-	400,000
.20	Forsyth TC	Vocational Education Building	850,000	-
.21	Isothermal CC	Funds to complete project currently under construction Polk County Satellite	200,000 250,000	- -

.22	Rockingham CC	Laboratory/Classroom Building	-	757,826
.23	Edgecombe TC	LRC/Classroom-Tarboro	-	600,000
.24	Tri-County CC	Classroom/Lab Building Phase II and for needed sewer line	700,000	500,000
.25	Mitchell CC	Renov. for Continuing Education Center	500,000	-
.26	Martin CC	Equine Training Center	900,440	-
.27	Bladen TC	High Tech. Bldg.	150,000	-
.28	Western Piedmont CC	Complete Learning Resource Center facilities	750,000	-
.29	Roanoke-Chowan CC	Complete & equip. Indust. Tech./ Small Business Center	-	1,000,000
.30	Asheville-Buncombe TC	Voc. Additions & Renovations	1,500,000	1,500,000
	Madison Satellite		400,000	-
.31	Carteret TC	Renovate recently acquired bldg.	347,975	-
.32	Central Carolina TC	Student Activity/ Performing Arts Center	-	1,000,000

	Harnett Satellite	Equip. Laser-Electro Optics Building	479,000	828,520
.33	Coastal Carolina CC	Business Technology Building	500,000	500,000
.34	College of the Albemarle	Complete current project and repay Rockingham CC	500,000	500,000
.35	Haywood TC	Regional Education Services Center	1,487,300	1,487,300
.36	James Sprunt TC	Renovations & complete Student Center	200,000	-
.37	Johnston TC	Increased costs for current project	500,000	-
.38	Gaston College	Planning Funds	442,000	-

.38(1) Funds appropriated herein for Gaston College shall be used for the purchase of equipment for the Lincoln School of Technology

.39	Fayetteville TI	Equipping a center for business and industry and a center for applied technology	1,000,000	1,000,000
.40	Lenoir CC	Aviation Facility & Classroom Bldg.	-	939,000
		Greene County Satellite	50,000	-

.41	Durham TC	Satellite in northern Durham County	500,000	-
.42	Richmond TC	Scotland County Satellite	184,500	-
		Repay Rockingham CC	80,000	-
.43	Robeson TC	Complete current project	187,715	-
.44	Sandhills CC	Increased costs for Library/Music/ Audiovisual Bldg.	136,500	-
.45	Piedmont Tech.	Repay Rockingham CC	350,000	-
	Caswell Satellite	Start-up funds	50,000	-
.46	Stanly TC	Planning/Learning Resource Center	250,000	-
.47	Montgomery TC	Planning/Specialty Lab Building	100,000	-
.48	Anson TC	Water and Sewer Line	1,500,000	-
.49	Southwestern TC	Equipping Regional Allied Health Center	945,000	-
		Macon County Satellite	100,000	-

The institutions may use the funds allocated to them by this section for other capital purposes if they deem it appropriate to do so.

Requested by: Rep. Nesbitt, Sen. Ward

-----ALLOCATION OF COMMUNITY COLLEGE CAPITAL FUNDS

Sec. 20. Funds appropriated for the 1987-88 and 1988-89 fiscal years to the Department of Community Colleges and allocated to local institutions for capital projects shall remain available until expended and may not revert to the General Fund.

Requested by: Rep. Watkins
-----MATCHING REQUIREMENTS/ASHEVILLE-BUNCOMBE TECH

Sec. 20.1. Funds allocated in this act to Asheville-Buncombe Technical College for the Madison County Satellite for capital projects are not subject to any matching requirement.

Requested by: Sen. Plyler
-----MATCHING REQUIREMENTS/ANSON TECH

Sec. 20.2. Funds allocated in this act to Anson Technical College for capital projects are not subject to any matching requirement.

Requested by: Rep. Hunter
-----MAYLAND TECHNICAL COLLEGE FUNDS

Sec. 21. Mitchell County, Avery County, and Yancey County shall each provide at least one hundred thousand dollars ($100,000) to match the funds allocated to Mayland Technical College in this act. The matching funds shall be provided over the 1987-89 biennium.

Requested by: Rep. Watkins
-----MATCHING REQUIREMENTS/PIEDMONT TECH

Sec. 22. Funds allocated in this act to Piedmont Technical College to repay a loan to Rockingham Community College are not subject to any matching requirement. Also funds allocated by the 1985 General Assembly to Piedmont Technical College for capital projects are not subject to any matching requirement.

Requested by: Rep. Nesbitt, Sen. Ward

Requested by: Rep. John Hunt
-----MATCHING REQUIREMENT/ISOTHERMAL CC

Sec. 22.1. Funds allocated by the 1985 General Assembly and by this act to Isothermal Community College for the Polk County Satellite for capital projects are not subject to any matching requirement.

-----COMMUNITY COLLEGE CAPITAL LOAN AUTHORITY

Sec. 23. The State Board of Community Colleges is authorized to negotiate loans of capital construction funds appropriated to the institutions of the Community College system by the General Assembly between institutions upon written confirmation of agreement by both local boards of trustees.

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Requested by: Senator Royall
-----AUTISTIC ADULTS FUNDS

Sec. 24. Of the funds appropriated in Section 4 of this act to the Board of Governors of the University of North Carolina for Division TEACCH of the School of Medicine at the University of North Carolina at Chapel Hill for the 1987-88 fiscal year the sum of six hundred thirty eight thousand dollars ($638,000) shall be used for purchasing and improving property for a special living and training center for adult persons with autism who have aged beyond public school services; provided that such funds shall be expended only upon certification by the Office of State Budget and Management that appropriate provisions for transfer of title to the property have been made.

Requested by: Rep. Watkins, Sen. Plyler
-----NCSU PULP & PAPER LAB

Sec. 25. Funds appropriated to the Board of Governors of The University of North Carolina in Section 4 of this act for a Pulp and Paper Lab for North Carolina State University may only be spent if matched by one million dollars ($1,000,000) in non-State funds.

Requested by: Sen. Royall
-----UNC ADVANCE PLANNING FUNDS

Sec. 26. Of the funds appropriated to the Board of Governors of The University of North Carolina in Section 4 of this act, the sum of three million two hundred eighty thousand dollars ($3,280,000) for the 1987-88 fiscal year shall be used for advance planning of capital facilities at The University of North Carolina. Of these funds:

(1) the sum of six hundred forty thousand dollars ($640,000) shall be used for the Engineering Graduate Research Center at North Carolina State University;

(2) the sum of four hundred ninety thousand dollars ($490,000) shall be used for the College of Engineering Applied Research at the University of North Carolina at Charlotte;

(3) the sum of four hundred fifty thousand dollars ($450,000) shall be used for the Performing Arts Center at The University of North Carolina at Chapel Hill;

(4) the sum of three hundred fifty thousand dollars ($350,000) shall be used for the Eastern Carolina Center for Regional Advancement at East Carolina University;

(5) the sum of three hundred thousand dollars ($300,000) shall be used for the renovation of Varsity Gym at Appalachian State University;

(6) the sum of four hundred thousand dollars ($400,000) shall be

used for renovation of Scott Hall at North Carolina State University;

(7) the sum of five hundred thousand dollars ($500,000) shall be used for the conference center at the University of North Carolina at Asheville; and

(8) the sum of one hundred fifty thousand dollars ($150,000) shall be used for the School of Social Work at The University of North Carolina at Chapel Hill.

Requested by: Rep. Nesbitt, Sen. Ward
-----UNENCUMBERED UNIVERSITY FUNDS/ADVANCED PLANNING

Sec. 27. G.S. 116-11(9)d. is repealed.

Requested by: Rep. Nesbitt
-----BLACK MOUNTAIN CENTER/REALLOCATION OF 1986-87 APPROPRIATION

Sec. 28. (a) Of the funds appropriated to the Department of Human Resources, Black Mountain Center in Section 4 of Chapter 1014 of the 1985 Session Laws, the sum of two hundred fifty-eight thousand five hundred seventy-six dollars ($258,576) for renovation of houses and construction of a building for the cluster home project, the sum of two hundred four thousand dollars ($204,000) for the renovation of Building 17 to comply with the Code, and the sum of one hundred three thousand five hundred dollars ($103,500) to enclose the exit and construct a ramp for the Moore wing, shall be used to address ICF/MR deficiencies and to remove asbestos at the Black Mountain Center for the Mentally Retarded. These funds shall remain available until expended to address ICF/MR deficiencies and to remove asbestos at the Center.

(b) Of the funds appropriated to the Department of Human Resources, Black Mountain Center in Section 4 of Chapter 1014 of the 1985 Session laws, the sum of fifty-six thousand dollars ($56,000) shall be used for an architectural and feasibility study of the utilization of the exisiting Alcoholic Rehabilitation Center at Black Mountain as an ICF/MR Facility and the subsequent use of the Black Mountain Center as an alcoholic rehabilitation center.

Requested by: Sen. Plyler, Rep. Watkins
-----RESERVE FOR EDUCATION BUILDING

Sec. 29. Funds in the amount of four hundred thousand three hundred thirty-three dollars ($400,333) allocated for the Education Building from the 1984-85 Repairs and Renovations Reserve, one million four hundred fifty thousand dollars ($1,450,00) appropriated by the 1985 General Assembly for the Education Building in 1986,

and two million dollars ($2,000,000) allocated for the Education Building from the 1986-87 Repairs and Renovations Reserve, shall be placed in a Reserve for the Education Building. Of these funds, up to one million five hundred thousand dollars ($1,500,000) may be used to plan for the construction of this new building. An architect shall be selected within 60 days of the effective date of this act, and construction plans shall be completed within 12 months of the effective date of this act.

Requested by: Sen. Plyler
-----ZOOLOGICAL PARK FUNDS

Sec. 30. Of the funds appropriated to the Department of Natural Resources and Community Development in Section 4 of this act, the sum of six million dollars ($6,000,000) for the 1987-88 fiscal year shall be used for the North Carolina Zoological Park, provided the North Carolina Zoological Park Society raises the sum of one million five hundred thousand dollars ($1,500,000) for the 1987-88 fiscal year to match this appropriation on a four-to-one basis. The Society shall periodically inform the Department of the amount of matching funds it has raised. The Department may expend the funds allocated by this section only to the extent that the required matching funds have been raised. The funds allocated by this section shall not revert at the end of the fiscal year, but shall remain available to the Department for the purpose stated in this section.

Requested by: Rep. Bruce Ethridge
-----USE OF WATERCRAFT CENTER APPROPRIATION FOR 1985-86

Sec. 31. Section 64 of Chapter 757 of the 1985 Session Laws reads as rewritten:

"Sec. 64. There is appropriated from the General Fund to the Department of Agriculture the sum of seventy-five thousand dollars ($75,000) for fiscal year 1985-86 ~~to renovate the North Carolina Maritime Museum Watercraft Center, which is a boat- building facility for the Museum.~~ for the construction of a new watercraft center at the North Carolina Maritime Museum."

Requested by: Sen. Basnight, Rep. Bruce Ethridge

Requested by: Rep. Watkins
-----CLEAN WATER FUND TECHNICAL CORRECTION

Sec. 31.1. (a) Section 5.12(i) of Chapter 480, Session Laws of 1985, as amended by Chapter 725, Session Laws of 1987, is amended by deleting "after December 31, 1986", and substituting "under this section".

(b) Section 5.12(g) of Chapter 480, Session Laws of 1985 is amended by adding at the end: "A city or a government unit to which a suballocation has been transferred under this subsection may transfer some or all of that transferred suballocation back to the transferring county."

(c) This section is effective upon ratification.

-----PARK LAND ACQUISITION

Sec. 32. Of the funds appropriated to the Department of Natural Resources and Community Development for fiscal year 1986-87 in Section 126 of Chapter 757 of the 1985 Session Laws and placed in a reserve by Section 231(b) of Chapter 1014 of the 1985 Session Laws (1986 Regular Session):

(1) The sum of one million nine hundred seventy-five thousand dollars ($1,975,000) shall be used by the Department to purchase park land at Lake James;

(2) The sum of five hundred thousand dollars ($500,000) shall be used to purchase park land for Eno River State Park; and

(3) The remainder shall be used by the Department of Natural Resources and Community Development to purchase the areas specified in Section 126(b) of Chapter 757 in any order or manner as is necessary for efficiency or cost-effectiveness. The Department may also use some of these funds for land surveys and appraisal fees.

Requested by: Rep. Watkins, Sen. Plyler

-----CIVIL WORKS PROJECTS

Sec. 33. Of the funds appropriated to the Department of Natural Resources and Community Development in Section 4 of this act, the sum of one million four hundred nine thousand dollars ($1,409,000) shall be used for civil works projects. These funds shall be allocated as follows:

Civil Works Projects	Requirements
Carolina Beach Berm and Dune Renourishment	$ 825,000
Wilmington Harbor	185,000
Aquatic Weed Control Projects	49,000
Carolina Beach Inlet-Planning	20,000
Morehead City Harbor Deepening-Planning	130,000
State-Local Projects	200,000

Any funds not expended or encumbered for these purposes shall revert to the General Fund at the end of the 1987-88 fiscal year.

Requested by: Rep. Bob Etheridge
-----MARION H. BROCK LAW ENFORCEMENT CENTER

Sec. 34. Of the funds in Section 5 of this act appropriated for building additions in the Division of Motor Vehicles, the sum of one hundred thousand dollars ($100,000) is authorized for facilities to be provided for the use of the Division of Motor Vehicles in the Marion H. Brock Law Enforcement Center.

Requested by: Rep. Watkins, Sen. Plyler
------CAPITAL FUNDS/NOT REVERT

Sec. 35. Funds appropriated and allocated by the 1984 Session of the 1983 General Assembly for capital improvements at the institutions of the Community College System shall remain available to the institutions until spent and may not revert to the General Fund.

Requested by: Rep. Watkins, Sen. Plyler
-----ENCUMBERED APPROPRIATIONS AND PROJECT RESERVE FUND

Sec. 36. When each capital improvement project for which the 1987 General Assembly makes appropriation, other than those projects under The University of North Carolina Board of Governors, is placed under construction contract, direct appropriations shall be encumbered to include all costs for construction, design, investigation, administration, movable equipment, and a reasonable contingency. Unencumbered direct appropriations remaining in the project budget shall be placed in a project reserve fund credited to the Department of Administration. Funds in the Project Reserve may be used for emergency repair and renovation projects at State facilities with the approval of the Director of the Budget. At the discretion of the Director of the Budget, any balances in the Project Reserve Fund shall revert to the original source.

Requested by: Rep. Watkins, Sen. Plyler
-----PROJECT COST INCREASE

Sec. 37. Upon the request of the administration of a State agency or institution, the Director of the Budget may when in his opinion it is in the best interest of the State to do so, increase the cost of a capital improvement project: Provided, however, that if the Director of the Budget increases the cost of a project he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting. The increase may be funded from gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at North Carolina Memorial Hospital, or direct capital

improvement appropriations to that agency or institution for that biennium.

Requested by: Rep. Watkins, Sen. Plyler
-----NEW PROJECT AUTHORIZATION

Sec. 38. Upon the request of the administration of any State agency or institution, the Governor, may authorize the construction of a capital improvement project not specifically authorized by the General Assembly if such project is to be funded by gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at North Carolina Memorial Hospital, or self-liquidating indebtedness: Provided, however, that if the Director of the Budget authorizes the construction of such a capital improvement project he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Requested by: Rep. Watkins, Sen. Plyler
-----ADVANCE PLANNING OF CAPITAL IMPROVEMENT PROJECTS

Sec. 39. Upon approval of the Director of the Budget, funds which become available by gifts, excess patient receipts collected above those budgeted by the North Carolina Memorial Hospital, federal or private grants, receipts becoming a part of special funds by act of the General Assembly, or any other funds available to a State agency or institution may be utilized for advance planning through the working drawing phase of capital improvement projects upon approval of the Director of the Budget. The Director of the Budget may make allocations from the Advance Planning Revolving Fund for advance planning through the working drawing phase of capital improvement projects, except that this Revolving Fund may not be utilized by the Board of Governors of The University of North Carolina or the State Board of Community Colleges.

Requested by: Rep. Watkins, Sen. Plyler
-----APPROPRIATIONS LIMITS/REVERSION OR LAPSE

Sec. 40. Except as permitted in previous sections of this act, the appropriations for capital improvements made by the 1987 General Assembly may be expended only for specific projects set out by the 1987 General Assembly and for no other purpose. Construction of all capital improvement projects enumerated by the 1987 General Assembly shall be commenced or self-liquidating indebtedness with respect to them shall be incurred within 12 months following the first day of the fiscal year in which the funds are available. If construction contracts on those projects have not been awarded or self-liquidating

indebtedness has not been incurred within that period, the direct appropriations for those projects shall revert to the original source, and the self-liquidating appropriation shall lapse; except that the direct appropriations may be placed in a reserve fund as authorized in the immediately preceding section of this act. This deadline with respect to both direct and self-liquidating appropriations may be extended up to an additional 12 months if circumstances and conditions warrant such extension.

Requested by: Sen. Royall, Rep. Watkins

-----EFFECT OF HEADINGS

Sec. 41. The headings to the sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

-----EFFECTIVE DATE

Sec. 42. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 110 **CHAPTER 796**

AN ACT TO CREATE THE NORTH CAROLINA CLEAN WATER LOAN AND GRANT PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding a new Chapter to read:

"Chapter 159G.

"North Carolina Clean Water Revolving Loan and Grant Act of 1987.

"§ *159G-1. Short title.*--This Chapter shall be known and may be cited as the 'North Carolina Clean Water Revolving Loan and Grant Act of 1987'.

"§ *159G-2. Purpose.*--The General Assembly hereby recognizes that a critical need exists in this State to provide for a low-interest funding source for municipal water and wastewater capital facilities. Local government efforts to meet this need have been restricted by the inability of many units to finance necessary improvements to inadequate or nonexistent water supply and wastewater treatment systems. The decrease in financial capacity has resulted in large part from the diminished availability of federal loans and grants and the

elimination of the federal general revenue sharing program, which funded a wide range of local capital improvements.

The problems have been further complicated by the uncertainty concerning Clean Water Act funding, the growing number of local units which are under moratoriums against additional connections for sewer service, and the July 1, 1988, deadline for compliance with federal effluent standards.

It is the intent and purpose of the General Assembly by this Chapter to create a program to facilitate early construction of these environmental improvements by establishing a revolving loan fund for financing such projects. This fund will enable local government units to obtain low-interest loans for financing projects for wastewater treatment and water supply, and for certain emergency purposes. It is the further intent and purpose of the General Assembly to provide grants to local government units for wastewater treatment and water supply facilities. The General Assembly seeks by this Chapter to encourage and assist local government units to meet their responsibilities to their citizens to maintain a clean and healthful environment and an abundant supply of pure water and further to provide an adequate base for economic growth.

"§ *159G-3. Definitions.*--As used in this Chapter, the following words shall have the meanings indicated, unless the context clearly requires otherwise:

(1) 'Administrative Account' means the Administrative Account in the Clean Water Revolving Loan and Grant Fund established in the Office of State Budget and Management under the provisions of this Chapter to cover administrative costs of the program.

(2) 'Applicant' means a local government unit that applies for a revolving loan or grant under the provisions of this Chapter.

(3) 'Clean Water Revolving Loan and Grant Fund' means the fund established in the Office of State Budget and Management to carry out the provisions of this Chapter, with various accounts therein as herein provided.

(4) 'Construction costs' means the actual costs of planning, designing and constructing any project for which a revolving loan or grant is made under this Chapter including planning; environmental assessment; wastewater system analysis, evaluation and rehabilitation; engineering; legal, fiscal, administrative and contingency costs for water supply systems, wastewater collection systems, wastewater treatment works and any extensions, improvements, remodeling, additions, or alterations to existing systems. Construction costs may include excess or reserve capacity costs, attributable to no more than 20-year projected domestic growth, plus ten percent (10%) unspecified

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industrial growth. In addition, construction costs shall include any fees payable to the Environmental Management Commission or the Division of Health Services for review of applications and grant of permits, and fees for inspections under G.S. 159G-314. Construction costs may also include the costs for purchase or acquisition of real property.

(5) 'Grant' means a sum of money given by the State to a local government unit to subsidize the construction costs of a project authorized by this Chapter, without any obligation on the part of such unit to repay such sum.

(6) 'Commission for Health Services' means the Commission for Health Services of the Department of Human Resources.

(6a) 'Debt instrument' means an instrument in the nature of a promissory note executed by a local government unit under the provisions of this Chapter, to evidence a debt to the State and obligation to repay the principal, plus interest, under stated terms.

(7) 'Division of Health Services' means the Division of Health Services of the Department of Human Resources.

(8) 'Environmental Management Commission' means the Environmental Management Commission of the Department of Natural Resources and Community Development created by Article 7, Part 4 of Chapter 143B of the General Statutes.

(9) 'Local Government Commission' means the Local Government Commission of the Department of the State Treasurer, established by Article 2 of Chapter 159 of the General Statutes.

(10) 'Local government unit' means a county, city, town, incorporated village, sanitary district, metropolitan sewerage district, metropolitan water district, county water and sewer district, water and sewer authority or joint agency created pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes.

(11) 'Office of State Budget and Management' means the Office of State Budget and Management established by law.

(12) 'Receiving agency' means the Division of Health Services with respect to receipt of applications for revolving loans and grants for water supply systems, and the Environmental Management Commission and the Division of Environmental Management with respect to receipt of applications for revolving loans and grants for wastewater systems.

(13) 'Revolving construction loan' means a sum of money loaned by the State to a local government unit to subsidize the construction costs of a project authorized by this Chapter, with an obligation on the part of such unit to repay such sum, the proceeds of such repayment

to be deposited in the Water Pollution Control Revolving Fund.

(14) 'Revolving emergency loan' means a sum of money loaned by the State to a local government unit upon a certification, as provided in this Chapter, of a serious public health hazard, with an obligation on the part of such unit to repay such sum.

(15) 'Revolving loan' includes a revolving construction loan and an emergency loan.

(15a) 'State' means the State of North Carolina.

(15b) 'State Treasurer' means the Treasurer of the State elected pursuant to Article III, Section 7 of the Constitution or his designated representative.

(16) 'Wastewater Accounts' means the various accounts in the Clean Water Revolving Loan and Grant Fund established in the Office of State Budget and Management under this Chapter for revolving loans and grants for wastewater treatment work and wastewater collection system projects.

(17) 'Wastewater collection system' means a unified system of pipes, conduits, pumping stations, force mains, and appurtenances other than interceptor sewers, for collecting and transmitting water-carried human wastes and other wastewater from residences, industrial establishments or any other buildings, and owned by a local government unit.

(18) 'Wastewater treatment works' means the various facilities and devices used in the treatment of sewage, industrial waste or other wastes of a liquid nature, including the necessary interceptor sewers, outfall sewers, phosphorous removal equipment, pumping, power and other equipment and their appurtenances.

(19) 'Water Supply Accounts' means the various accounts in the Clean Water Revolving Loan and Grant Fund established in the Office of State Budget and Management under this Chapter for revolving loans and grants for water supply system projects.

(20) 'Water supply system' means a public water supply system consisting of facilities and works for supplying, treating and distributing potable water including, but not limited to, impoundments, reservoirs, wells, intakes, water filtration plants and other treatment facilities, tanks and other storage facilities, transmission mains, distribution piping, pipes connecting the system to other public water supply systems, pumping equipment and all other necessary appurtenances, equipment and structures.

"§ *159G-4. Appropriations.*--(a) Of the funds appropriated to the Clean Water Revolving Loan and Grant Fund, the amount required in each fiscal year to provide the State match of any federal funds deposited into the Water Pollution Control Revolving Fund shall be

allocated to that fund.

(b) Of the appropriations made from the General Fund to the Clean Water Revolving Loan and Grant Fund for use of the Office of State Budget and Management as provided in this Chapter, allocations are made as follows after first subtracting the amounts allocated under subsection (a) of this section, to the extent that there are any excess funds available:

	FY 1987-88	FY 1988-89
Wastewater Accounts		
General Wastewater Revolving Loan Account	45.00%	45.00%
Emergency Wastewater Revolving Loan Account	13.00%	13.00%
High-Unit Cost Wastewater Account	10.00%	10.00%
Water Supply Accounts		
General Water Supply Revolving Loan Account	23.00%	23.00%
High-Unit Cost Water Supply Account	3.00%	3.00%
Emergency Water Supply Revolving Loan Account	5.00%	5.00%
Administrative Account	1.00%	1.00%

(c) All payments of interest and repayments of principal resulting from revolving loans shall be credited to the respective accounts from which the revolving loan funds were disbursed. Terms and conditions for repayment of revolving loans shall be established by the Office of State Budget and Management, with the assistance of the Local Government Commission, consistent with the requirements of the Federal Water Pollution Control Act and this Chapter. Provided, the interest rate for all revolving loans authorized by this Chapter shall be fixed at the same percent per annum as the interest rate fixed under the Federal Water Pollution Control Act for loans from the Water Pollution Control Revolving Fund established by G.S. 159G-305(c), not to exceed the lesser of four percent (4%) or one half (1/2) the prevailing national market rate for tax exempt general obligation debt of similar maturities derived from a published indicator. Provided further, the interest rate may be fixed at a lower rate per annum if authorized by the Federal Water Pollution Control Act Regulations. It is the intent of the General Assembly to provide uniform interest payments for all loans made to units of local government irrespective of the account from which loans are made for either wastewater or water supply projects.

"§ *159G-5. Clean Water Revolving Loan and Grant Fund.*--(a) There is established in the Office of State Budget and Management a fund to be known as the Clean Water Revolving Loan and Grant Fund, to be administered by the Office of State Budget and Management, which shall be responsible for receipt and disbursement of all moneys as appropriated and provided for in this Chapter.

(b) Funds in the various accounts in the Clean Water Revolving Loan and Grant Fund may be invested in the same manner as permitted for investments of funds belonging to the State or held in the State Treasury. Interest earnings derived from such investments shall be credited to the respective accounts from which funds were used to make such investments.

(c) Within the Clean Water Revolving Loan and Grant Fund there shall be a special account known as the Water Pollution Control Revolving Fund. This account shall be established and managed in accordance with the requirements of Title VI of the Federal Water Quality Act of 1987 (P.L. 100-4), to achieve the purposes and goals of the Federal Water Pollution Control Act. The funds in the Water Pollution Control Revolving Fund shall be available in perpetuity and exclusively for the purpose of providing revolving construction loans and other assistance as specified in Title VI of the Federal Water Quality Act of 1987 and the regulations thereunder, including making grants to the extent permitted thereby.

"§ *159G-6. Distribution of funds.*--(a) Revolving loans and grants.

(1) All funds appropriated or accruing to the Clean Water Revolving Loan and Grant Fund, other than funds set aside for administrative expenses, shall be used for revolving loans and grants to local government units for construction costs of wastewater treatment works, wastewater collection systems and water supply systems and other assistance as provided in this Chapter.

(2) The maximum principal amount of a revolving loan or a grant may be one hundred percent (100%) of the nonfederal share of the construction costs of any eligible project. The maximum principal amount of revolving loans made to any one local government unit during any fiscal year shall be three million dollars ($3,000,000). The maximum principal amount of grants made to any one local government unit during any fiscal year shall be five hundred thousand dollars ($500,000).

(3) The State Treasurer shall be responsible for investing and distributing all funds appropriated or accruing to the Clean Water Revolving Loan and Grant Fund for revolving loans

and grants under this Chapter. In fulfilling his responsibilities under this section, the State Treasurer shall make a written request to the Office of State Budget and Management to arrange for the appropriated funds to be (i) transferred from the appropriate accounts to a local government unit to provide funds for one or more revolving loans or grants or (ii) invested as authorized by this Chapter with the interest on and the principal of such investments to be transferred to the local government unit to provide funds for one or more revolving loans or grants.

(b) Wastewater Accounts. The sums allocated in G.S. 159G-304 and accruing to the various Wastewater Accounts in each fiscal year shall be used to make revolving loans and grants to local government units as provided below. The Office of the State Budget and Management shall disburse no funds from the Wastewater Accounts except upon receipt of written approval of the disbursement from the Environmental Management Commission.

(1) General Wastewater Revolving Loan and Grant Account. The funds in the General Wastewater Revolving Loan and Grant Account shall be used exclusively for the purpose of providing for revolving construction loans or grants in connection with approved wastewater treatment work or wastewater collection system projects.

(2) High-Unit Cost Wastewater Account. The funds in the High-Unit Cost Wastewater Account shall be available for grants to applicants for high-unit cost wastewater projects. Eligibility of an applicant for such a grant shall be determined by comparing estimated average household user fees for water and sewer service, for debt service and operation and maintenance costs, to one and one-half percent (1.5%) of the median household income in the county in which the project is located. The projects which would require estimated average household water and sewer user fees greater than one and one-half percent (1.5%) of the median household income are defined as high-unit cost wastewater projects and will be eligible for a grant equal to the excess cost, subject to the limitations in subsection (a)(2) of this section.

(3) Emergency Wastewater Revolving Loan Account. The funds in the Emergency Wastewater Revolving Loan Account shall be available for revolving emergency loans to applicants in the event the Environmental Management Commission certifies that a serious public health hazard, related to the inadequacy of existing wastewater facilities, is

present or imminent in a community.

(c) Water Supply Accounts. The sums allocated in G.S. 159G-304 and accruing to the various Water Supply Accounts in each fiscal year shall be used to provide revolving loans and grants to local government units as provided below. The Office of State Budget and Management shall disburse no funds from the Water Supply Accounts except upon receipt of written approval of the disbursement from the Division of Health Services.

(1) General Water Supply Revolving Loan and Grant Account. The funds in the General Water Supply Revolving Loan and Grant Account shall be used exclusively for the purpose of providing for revolving construction loans and grants in connection with water supply systems generally and not upon a county allotment basis.

(2) High-Unit Cost Water Supply Account. The funds in the High-Unit Cost Water Supply Account shall be available for grants to applicants for high-unit cost water supply systems, on the same basis as provided in G.S. 159G-306(b)(2) for high-unit cost wastewater projects.

(3) Emergency Water Supply Revolving Loan Account. The funds in the Emergency Water Supply Revolving Loan Account shall be available for revolving emergency loans to applicants in the event the Division of Health Services certifies that a serious public health hazard, related to the water supply system, is present or imminent in a community.

(d) Administrative Account. The Office of State Budget and Management, from time to time, may allocate funds from the Administrative Account to meet the expenses of the Office of State Budget and Management, Local Government Commission, Division of Health Services and Environmental Management Commission incurred in the administration of this Chapter in excess of normal operating expenses.

Each agency entitled to receive administrative expense funds from the Administrative Account shall prepare an itemized estimate of administrative funds required for the succeeding fiscal year, and the Division of Health Services, the Local Government Commission and the Environmental Management Commission shall deliver their estimates to the Office of State Budget and Management at least 45 days prior to the beginning of the fiscal year for which the funds are required. The Office of State Budget and Management shall determine the administrative expense funds available and, along with its recommendations, shall deliver the estimates of the Division of Health Services, the Local Government Commission and of the

Environmental Management Commission and its own estimate, if any, to the Advisory Budget Commission at least 30 days prior to the beginning of the fiscal year for which the funds are required. Any administrative expense funds shall be disbursed by the Office of State Budget and Management to the appropriate agency. If the administrative expense funds disbursed to any agency shall prove insufficient, it may apply at any time during the fiscal year for additional funds in the manner above provided.

(e) Notwithstanding any other provision of this Chapter, funds in the Water Pollution Control Revolving Fund shall not be available as grants except to the extent permitted by Title VI of the Federal Water Quality Act of 1987 and the regulations thereunder.

§ *159G-7. (RESERVED)*

"§ *159G-8. Application; environmental assessment; notice; hearing.*--(a) Application. All applications for revolving loans and grants for water supply systems shall be filed with the Division of Health Services and all applications for revolving loans and grants for wastewater treatment works or wastewater collection systems shall be filed with the Environmental Management Commission. Every applicant shall also file with the Office of State Budget and Management such information concerning the application as the Office of State Budget and Management may require by rules or regulations adopted pursuant to this Chapter. Any application may be filed in as many categories as it is eligible for consideration under this Chapter. Applications for revolving loans or grants for wastewater treatment works and wastewater collection systems, except applications for emergency wastewater loans, shall first be submitted for a loan or grant from the Water Pollution Control Revolving Fund established by G.S. 159G-305(c). If the application is denied, the application shall then be considered for a revolving loan or a grant from the General Wastewater Revolving Loan and Grant account established under 159G-306(b)(1).

The Office of State Budget and Management, the Division of Health Services and the Environmental Management Commission may develop jointly and adopt a standard form of application under this Chapter. Any application for construction grants under the Federal Water Pollution Control Act may be considered as an application for revolving construction loans or grants under G.S. 159G-305(c) and G.S. 159G-306(b)(1). The information required to be set forth in the application shall be sufficient to permit the respective agencies to determine the eligibility of the applicant and to establish the priority of the application, as set forth in this Chapter.

Any applicant shall furnish information in addition or supplemental to the information contained in its application upon request by the receiving agency.

(b) Environmental Assessment. Every applicant shall file with its application an assessment setting forth the impact that the project for which funds are sought will have upon the environment of the area within which the project is proposed to be located. The assessment shall set forth the impact of the project upon water resources, other natural resources, land use pattern, and such other factors as the Commission for Health Services or the Environmental Management Commission shall require by duly adopted rules and regulations. Any environmental assessment required as part of an application for grants under the Federal Water Pollution Control Act shall satisfy the requirement of this provision. If, after reviewing the environmental assessment, the Division of Health Services or the Environmental Management Commission concludes that an environmental impact statement is required, then the application shall receive no further consideration until a final environmental impact statement has been completed and approved as provided in Article 1 of Chapter 113A of the General Statutes.

(c) Hearing. A public hearing may be held by the receiving agency at any time on any application filed pursuant to G.S. 159G-305(c), 159G-306(b) or 159G-306(c) in accordance with the provisions of this subsection. A public hearing may be held by the receiving agency upon written request from any citizen or taxpayer who is a resident of the county or counties in which the project is proposed to be located if it appears that the public interest will be served by this hearing. The written request shall set forth each objection to the proposed project or other reason for requesting a hearing on the application and shall contain the name and address of the person(s) submitting it. The receiving agency may consider all written objections to the proposed project and other statements along with the application, including any significant adverse effects that the proposed project may have on the environment, and shall determine if the public interest will be served by a hearing. The determination by the receiving agency shall be conclusive; but all written requests for a hearing shall be retained as a permanent part of the records pertaining to the application, whether or not the request is granted.

"§ *159G-9. Eligibility.*--No application shall be eligible for a revolving loan or grant under this Chapter unless it shall demonstrate to the satisfaction of the receiving agency that:

(1) The applicant is a local government unit.

(2) The applicant has the financial capacity to pay the principal of and the interest on its proposed obligations and loans.

(3) The applicant has substantially complied or will substantially comply with all applicable laws, rules, regulations and ordinances, federal, State and local.

(4) The applicant has agreed by official resolution to adopt and place into effect on or before completion of the project a schedule of fees and charges which will provide adequate funds for proper operation, maintenance and administration of the project, and repayment of all principal of and interest on loans.

"§ *159G-10. Priorities.*--(a) Determination. Determination of priorities to be assigned each eligible application shall be made semiannually by each receiving agency during each fiscal year. Every eligible application filed under G.S. 159G-305(c), 159G-306(b)(1) or 159G-306(c)(1) shall be considered by the receiving agency with every other application filed under G.S. 159G-305(c), 159G-306(b)(1) or 159G-306(c)(1), respectively, and eligible for consideration during the same priority period, to determine the priority to be assigned to each application. The same procedure shall apply to every eligible application filed under G.S. 159G-306(b)(3) and G.S. 159G-306(c)(3) of this Chapter. Any application which does not contain the information required by this Chapter or regulations adopted by the receiving agency(s) shall not be deemed received until such information is furnished by the applicant to the receiving agency.

(b) Priority Factors. All applications for revolving loans or grants under this Chapter eligible for consideration during each priority period shall be assigned a priority for such funds by the receiving agency. The priority factors shall be similar to those developed under the North Carolina Clean Water Bond Act of 1977, as provided in this subsection.

(1) General Criteria. The general criteria provided in 1 NCAC 22.0401 through .0403 on January 1, 1987, shall apply, except that 1 NCAC 22.0401(c) shall apply only to State funds appropriated to match available federal funds.

(2) Wastewater Treatment Work Projects. The priority criteria provided in 1 NCAC 22.0501 through .0506 on January 1, 1987, shall apply to applications for wastewater treatment work projects, except that 1 NCAC 22.0503 shall not apply.

(3) Wastewater Collection System Projects. The priority criteria provided in 1 NCAC 22.0601 through .0606 on January 1, 1987, shall apply to applications for wastewater collection system projects, except that 1 NCAC 22.0601(2)(a) and (3), and 1 NCAC 22.0605(2), (3) and

(4) shall not apply.

(4) Water Supply System Projects. The priority criteria provided in 1 NCAC 22.0701 through .0704 on January 1, 1987, shall apply to applications for water supply system projects.

(5) The total number of points available in the respective categories shall be deemed adjusted in accordance with the provisions of subdivisions (1) through (4) of this subsection.

(c) Assignment of Priority. A written statement relative to each priority assigned shall be prepared by the receiving agency and shall be attached to the application. The priority assigned shall be conclusive.

(d) Failure to Qualify. Any application filed under G.S. 159G-305(c), G.S. 159G-306(b) or G.S. 159G-306(c) that does not qualify for a revolving loan or grant as of the priority period in which the application was eligible for consideration by reason of the priority assigned the application shall be considered for a revolving loan or grant during the next succeeding priority period upon request of the applicant. If such application should again fail to qualify for a revolving loan or grant during the second priority period by reason of the priority assigned, the application shall receive no further consideration. An applicant may file a new application at any time, and may amend any pending application to include additional data or information.

"§ *159G-11. Withdrawal of commitment.*--Failure of an applicant, within one year of the date of acceptance of a revolving loan or grant award, to (i) arrange for necessary financing of the proposed project, or (ii) award a contract for the construction of the proposed project, shall constitute sufficient cause for withdrawal of the commitment. Prior to withdrawal of a commitment, the receiving agency shall give due consideration to any extenuating circumstances presented by the applicant as reasons for its failure to arrange necessary financing or to award a contract, and the commitment may be extended for an additional period of time if, in the judgment of the receiving agency, such an extension is justified.

"§ *159G-12. Disbursement.*--(a) No funds shall be disbursed by the Office of State Budget and Management for any revolving loan or grant until it has received from the receiving agency a certificate of eligibility to the effect that the applicant meets all eligibility criteria,

and that all procedural requirements of this Chapter have been met.

(b) In the event that the revolving loan or grant payments are to be made in installments, no payment shall be disbursed by the Office of State Budget and Management until the receiving agency submits a written request for disbursement.

(c) The receiving agency, in its sole discretion, may determine whether the payment of any revolving loan or grant made under this Chapter shall be in a lump sum or in installments as progress payments and shall, by adoption of appropriate rules and regulations, provide for the manner of approval and payment of revolving loans or grants. The State Treasurer, with the approval of the receiving agency and consistent with the provisions of G.S. 159G-306(a)(3), shall, by adoption of appropriate rules, provide for the payment of revolving loans or grants.

"§ *159G-13. Revolving loans and grants.*--(a) To be eligible to receive the revolving loans and grants provided for in this Chapter, local government units shall arrange to borrow the amounts necessary to be borrowed in connection therewith pursuant to the Local Government Finance Act or as provided in this Chapter as applicable. Local government units may apply for the revolving loans and grants prior to arranging for such borrowing.

(b) Revenues received by municipalities from sales and use taxes levied under Articles 40, 41, and 42 of Chapter 105 of the General Statutes which are restricted in use for water and sewage capital outlay, and retirement of indebtedness for those purposes, may be used for periodic payments on revolving loans made under this Article.

"§ *159G-14. Inspection.*--Inspection of a project for which a revolving loan or grant has been made under this Chapter may be performed by qualified personnel of the Division of Health Services or the Environmental Management Commission or may be performed by qualified professional engineers, registered in this State, who have been approved by the Division of Health Services or the Environmental Management Commission; but no person shall be approved to perform inspections who is an officer or employee of the unit of government to which the revolving loan or grant was made or who is an owner, officer, employee or agent of a contractor or subcontractor engaged in the construction of the project for which the revolving loan or grant was made. For the purpose of payment of inspection fees, inspection services shall be included in the term 'construction cost' as used in this Chapter.

"§ *159G-15. Rules.*--(a) The Office of State Budget and Management, the Commission for Health Services and the Environmental Management Commission may adopt, modify and

repeal rules establishing the procedures to be followed in the administration of this Chapter and regulations interpreting and applying the provisions of this Chapter, as provided in the Administrative Procedure Act. Uniform rules may be jointly adopted where feasible and desirable, and no rule jointly adopted may be modified or revoked except upon concurrence of all agencies involved.

(b) A copy of its rules adopted to implement the provisions of this Chapter shall be furnished free of charge by the receiving agency and the Office of State Budget and Management to any local government unit.

"§ *159G-16. Federal grants and loans.*--In order to carry out the purpose of this Chapter to secure the greatest benefits possible to the citizens of this State from the funds herein appropriated, the Office of State Budget and Management, the Commission for Health Services and the Environmental Management Commission shall adopt such rules and criteria, not inconsistent with the provisions of this Chapter, as are necessary and appropriate to conform to regulations for federal grants and loans for any of the purposes set forth in this Chapter.

"§ *159G-17. Annual reports to Joint Legislative Commission on Governmental Operations.*--(a) The Office of State Budget and Management, the Division of Health Services and the Environmental Management Commission shall prepare and file on or before July 31 of each year with the Joint Legislative Commission on Governmental Operations a consolidated report for the preceding fiscal year concerning the allocation of revolving loans and grants authorized by this Chapter.

(b) Office of State Budget and Management. The portion of the report prepared by the Office of State Budget and Management shall set forth for the preceding fiscal year itemized and total allocations from the Administrative Account for administrative expenses; itemized and total allocations from the Wastewater Accounts of revolving loans and grants authorized by the Environmental Management Commission; and itemized and total allocations from the Water Supply Accounts of revolving loans and grants authorized by the Division of Health Services. The Office of State Budget and Management shall also prepare a summary report of all allocations made from the Clean Water Revolving Loan and Grant Fund for each fiscal year; the total funds received and allocations made; and unallocated funds on hand in each account as of the end of the preceding fiscal year.

(c) Environmental Management Commission and Division of Health Services. The portions of the report prepared by the Environmental Management Commission and the Division of Health Services shall include:

(1) Identification of each revolving loan and grant made by the receiving agency during the preceding fiscal year; the total amount of the revolving loan and grant commitments; the sums actually paid during the preceding fiscal year to each revolving loan and grant made and to each revolving loan and grant previously committed but unpaid; and the total revolving loan and grant funds paid during the preceding fiscal year.

(2) Itemization of expenditures of any administrative expense funds allocated from the Administrative Account during the preceding fiscal year.

(3) Summarization for all preceding years of the total number of revolving loans and grants made; the total funds committed to such revolving loans and grants; the total sum actually paid to such revolving loans and grants and the total expenditure of administrative expense funds allocated from the Administrative Account.

(4) Assessment and evaluation of the effects that approved projects have had upon water pollution control and water supplies within the purposes of this Chapter and with relation to the total water pollution control and water supply problem.

(d) The report shall be signed by each of the chief executive officers of the State agencies preparing the report.

"§ *159G-18. Local government borrowing authority.*--(a) Local government units may execute debt instruments payable to the State in order to obtain revolving loans provided for in this Chapter. Local government units shall pledge as security for such obligations the user fee revenues derived from operation of the benefited facilities or systems only, or their faith and credit, or both. The faith and credit of such local government units shall not be pledged or be deemed to have been pledged unless the requirements of Article 4, Chapter 159 of the General Statutes have been met. The Office of State Budget and Management and the State Treasurer, with the assistance of the Local Government Commission, shall develop and adopt appropriate debt instruments for use under this Chapter. The Local Government Commission shall develop and adopt appropriate procedures for the delivery of debt instruments to the State without any public bidding therefor.

(b) The Local Government Commission shall review and approve proposed loans to applicants under this Chapter under the provisions of Articles 4 and 5, Chapter 159 of the General Statutes, as if the issuance of bonds was proposed, so far as those provisions are applicable. Revolving loans under this Chapter shall be outstanding debt for the purpose of Article 10, Chapter 159 of the General Statutes."

Sec. 2. Article 4 of Chapter 159 of the General Statutes is hereby amended as follows:

(1) G.S. 159-45 is hereby amended by deleting the period at the end thereof and adding thereto the following:

"or by the issuance of debt instruments in accordance with the limitations and procedures prescribed in Chapter 159G of the General Statutes."

(2) G.S. 159-46 is hereby amended by inserting after the word "Article" the following:

"and debt instruments secured by a pledge of its faith and credit in accordance with the limitations and procedures prescribed in Chapter 159G of the General Statutes."

Sec. 3. Article 3 of Chapter 159 of the General Statutes is hereby amended as follows:

(1) G.S. 159-7(b)(4) is hereby amended to read:

"(4) 'Debt service' is the sum of money required to pay installments of principal and interest on bonds, notes, and other evidences of debt accruing within a fiscal year, to maintain sinking funds, and to pay installments on debt instruments issued pursuant to Chapter 159G of the General Statutes accruing within a fiscal year."

(2) G.S. 159-13(a) is amended by adding a new paragraph as follows:

"(19) No appropriation of the proceeds of a debt instrument may be made from the capital project fund account established to account for such proceeds except for the purpose for which such debt instrument was issued. The total of other appropriations made to another fund from such a capital project fund account may not exceed the amount of revenues other than debt instrument proceeds available to the account."

(3) G.S. 159-13.2(a)(1) is amended to read:

"(1) In this section 'capital project' means a project financed in whole or in part by the proceeds of bonds or notes or debt instruments or a project involving the construction or acquisition of a capital asset."

(4) The last sentence of G.S. 159-13.2(b) is amended to read:

"Neither a bond order nor an order authorizing any debt instrument constitutes a project ordinance."

(5) G.S. 159-25(a)(5) is amended to read:

"(5) He shall maintain all records concerning the bonded debt and other obligations of the local government or public authority, determine the amount of money that will be required for debt service or the payment of other obligations during each fiscal year, and maintain all sinking funds."

(6) G.S. 159-26(b)(6) is amended to read:

"(6) Capital Project Funds. Such a fund shall be established to account for the proceeds of each bond order or order authorizing any debt instrument and for all other resources used for the capital projects financed by the bond or debt instrument proceeds. A unit or public authority may account for two or more bond orders or orders authorizing any debt instrument in one capital projects fund, but the proceeds of each such order and the other revenues associated with that order shall be separately accounted for in the fund."

(7) G.S. 159-35 is amended by adding a new subsection as follows:

"(c) The secretary shall mail to each unit of local government not later than 30 days prior to the due date of each payment due to the State under debt instruments issued pursuant to Chapter 159G of the General Statutes a statement of the amount so payable, the due date, the amount of any moneys due to the unit of local government that will be withheld by the State and applied to the payment, the amount due to be paid by the unit of local government from local sources, the place to which payment should be sent, and a summary of the legal penalties for failing to honor the debt instrument according to its terms. Failure of the secretary timely to mail such statement or otherwise comply with the provisions of this subsection (c) shall not affect in any manner the obligation of a unit of local government to make payments to the State in accordance with any such debt instrument."

(8) G.S. 159-36 is hereby amended by redesignating the present provisions thereof as subsection (a) and adding a new subsection (b) as follows:

"(b) This section does not apply to contractual obligations undertaken by a unit of local government in a debt instrument issued pursuant to Chapter 159G of the General Statutes unless such debt instrument is secured by a pledge of the faith and credit of the unit of local government."

Sec. 4. G.S. 159-123(d) is amended by adding at the end a new sentence to read:

"This section also shall not apply to debt instruments that the State has previously agreed to purchase pursuant to Chapter 159G of the General Statutes."

Sec. 5. G.S. 159-181 is hereby amended by adding at the end of subsection (c) a new sentence to read as follows:

"This subsection (c) does not apply to contractual obligations undertaken by a unit of local government in a debt instrument issued pursuant to Chapter 159G of the General Statutes unless such debt instrument is secured by a pledge of the faith and credit of the unit of local government."

Sec. 6. This act shall be construed liberally to effectuate the legislative intent and the purposes as complete and independent authority for the performance of each and every act and thing authorized by this act, and all powers granted shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers.

Sec. 7. If a section, subsection, subdivision, clause or provision of this act is adjudged unconstitutional or is ineffective, the remainder of this act shall be valid and effective. Any other section, subsection, subdivision, clause, or provision of this act shall not on account of that judgment be considered invalid or ineffective and the inapplicability or invalidity of a section, subsection, subdivision, clause, or provision of this act in one or more instances or under one or more circumstances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance or under any other circumstance."

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 508 **CHAPTER 797**

AN ACT TO AMEND THE ASSESSMENT PROCEDURES FOR DEFENDANTS SENTENCED FOR DRIVING WHILE IMPAIRED AND TO ESTABLISH PILOT PROGRAMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-179(m) reads as rewritten:

"(m) Assessment and Treatment Required in Certain Cases. If a defendant being sentenced under this section is placed on probation, he ~~must~~ shall be required as a condition of that probation to obtain a substance abuse assessment if:

(1) He had an alcohol concentration of ~~0.20~~ 0.15 or more as indicated by a chemical analysis taken when he was charged; or

(2) He has a prior conviction for an offense involving impaired driving within the five years preceding the date of the offense for which he is being sentenced and, when he was charged with the current offense, he ~~either: a. Had~~ had an alcohol concentration of 0.10 or more; or

(3) ~~b. Willfully~~ He willfully refused to submit to a chemical analysis.

The judge ~~must~~ shall require the defendant to obtain the assessment from an area mental health agency, its designated agent, or a private facility licensed by the State for the treatment of alcoholism and substance abuse. Unless a different time limit is specified in the court's judgment, the defendant shall schedule the assessment within 30 days from the date of the judgment. Any agency performing assessments shall give written notification of its intention to do so to the area mental health authority in the catchment area in which it is located and to the Department of Human Resources. The Secretary of the Department of Human Resources may adopt rules to implement the provisions of this subsection, and these rules may include provisions to allow defendant to obtain assessments and treatment from agencies not located in North Carolina. The assessing agency shall give the client a standardized test, approved by the Department of Human Resources to determine chemical dependency. A clinical interview concerning the general status of the defendant with respect to chemical dependency shall be conducted by the assessing agency before making any recommendation for further treatment. A recommendation made by the assessing agency shall be signed by a 'Certified Alcoholism, Drug Abuse or Substance Abuse Counselor', as defined by the Department of Human Resources. If the assessing agency recommends that the defendant participate in a treatment program, the judge may require the defendant to do so, and he shall ~~In addition, he must require the defendant to participate in a treatment program if recommended by the assessing agency, and he must~~ require the defendant to execute a Release of Information authorizing the treatment agency to report his progress to the court or the ~~Division of Adult Probation and Parole~~ Department of Correction. The judge may order the defendant to participate in an appropriate treatment program at the time he is ordered to obtain an assessment, or he may order him to reappear in court when the assessment is completed to determine if a condition of probation requiring participation in treatment should be imposed. An order of the court shall not require the defendant to participate in any treatment program for more than 90

days unless a longer treatment program is recommended by the assessing agency and his alcohol concentration was .15 or greater as indicated by a chemical analysis taken when he was charged or this was a second or subsequent offense within five years. The judge ~~must~~ shall require the defendant to pay ~~twenty-five dollars ($25.00)~~ fifty dollars ($50.00) for the services of the assessment facility and ~~the~~ any additional treatment fees that may be charged by the treatment facility. If the defendant is treated by an area mental health facility, G.S. ~~122-35.47~~ 122C-146 applies. Any determinations with regard to the defendant's ability to pay the assessment fee ~~must~~ shall be made by the judge. In those cases in which no substance abuse handicap is identified, that finding ~~must~~ shall be ~~forwarded in writing to~~ filed with the court. When treatment is required, the treatment agency's progress reports ~~must~~ shall be filed with the court or the ~~Division of Adult Probation and Parole~~ Department of Correction at intervals of no greater than six months until the termination of probation or the treatment agency determines and reports that no further treatment is appropriate. Upon the completion of the court-ordered assessment or court-ordered treatment, the assessing or treatment agency shall give the Division of Motor Vehicles the original of the certificate of completion, shall provide the defendant with a copy of that certificate, and shall retain a copy of the certificate on file for a period of five years. The Division of Motor Vehicles shall not reissue the driver's license of a defendant ordered to obtain assessment or participate in a treatment program unless it has received the original certificate of completion from the assessing or treatment agency, provided, however that a defendant may be issued a limited driving privilege pursuant to G.S. 20-179.3.

The Department of Human Resources may approve programs offered in another state if they are substantially similar to programs approved in this State, and if that state recognizes North Carolina programs for similar purposes. The defendant shall be responsible for the fees at the approved program."

Sec. 2. G.S. 20-179(m) reads as rewritten:

"(m) Assessment and Treatment Required. If a defendant being sentenced under this section is placed on probation, he ~~must~~ shall be required as a condition of that probation to obtain a substance abuse assessment; provided, however, that the defendant shall have the option of meeting the conditions of his probation either in the county of his conviction or in the county of his residence and he shall be sentenced according to the law of the county selected. The defendant shall inform the court at the time of his conviction of the county in which he has chosen to meet the conditions of his probation. The

judge ~~must~~ shall require the defendant to obtain the assessment from an area mental health agency, its designated agent, or a private facility licensed by the State for the treatment of alcoholism and substance abuse. Unless a different time limit is specified in the court's judgment, the defendant shall schedule the assessment within 30 days from the date of the judgment. Any agency performing assessments shall give written notification of its intention to do so to the area mental health authority in the catchment area in which it is located and to the Department of Human Resources. The Secretary of the Department of Human Resources may adopt rules to implement the provisions of this subsection, and these rules may include provisions to allow defendant to obtain assessments and treatment from agencies not located in North Carolina. The assessing agency shall give the client a standardized test capable of providing uniform research data, including, but not limited to, demographic information, defendant history, assessment results and recommended interventions, approved by the Department of Human Resources to determine chemical dependency. A clinical interview concerning the general status of the defendant with respect to chemical dependency shall be conducted by the assessing agency before making any recommendation for further treatment. A recommendation made by the assessing agency shall be signed by a 'Certified Alcoholism, Drug Abuse or Substance Abuse Counselor', as defined by the Department of Human Resources.

If the assessing agency recommends that the defendant participate in a treatment program, the judge may require the defendant to do so, and he shall ~~In addition, he must require the defendant to participate in a treatment program if recommended by the assessing agency, and he must~~ require the defendant to execute a Release of Information authorizing the treatment agency to report his progress to the court or the ~~Division of Adult Probation and Parole~~ Department of Correction. The judge may order the defendant to participate in an appropriate treatment program at the time he is ordered to obtain an assessment, or he may order him to reappear in court when the assessment is completed to determine if a condition of probation requiring participation in treatment should be imposed. An order of the court shall not require the defendant to participate in any treatment program for more than 90 days unless a longer treatment program is recommended by the assessing agency and his alcohol concentration was .15 or greater as indicated by a chemical analysis taken when he was charged or this was a second or subsequent offense within five years.

At the time of sentencing ~~The~~ the judge ~~must~~ shall require the defendant to pay ~~twenty-five dollars ($25.00)~~ one hundred twenty-five dollars ($125.00). The payment of the fee of one hundred twenty-five dollars ($125.00) shall be (i) fifty dollars ($50.00) to the assessing agency and (ii) seventy-five dollars ($75.00) to either a treatment facility or to an alcohol and drug education traffic school depending upon the recommendation made by the assessing agency. G.S. 20-179(l) shall not apply to defendants sentenced under this section. Fees received by the Area Mental Health, Mental Retardation, and Substance Abuse Authorities under this section shall be administered pursuant to G.S. 20-179.2(e), provided, however that the provisions of G.S. 20-179.2(c) shall not apply to monies received under this section. The operators of the local alcohol and drug education traffic school may change the length of time required to complete the school in accordance with administrative costs, provided, however that the length and the curriculum of the school shall be approved by the Commission for Mental Health, Mental Retardation and Substance Abuse Services and in no event shall the school be less than five hours in length. If the defendant is treated by an area mental health facility, G.S. ~~122-35.47~~ 122C-146 applies after receipt of the seventy-five dollar ($75.00) fee. Any determinations with regard to the defendant's ability to pay the fee ~~must~~ shall be made by the judge.

In those cases in which no substance abuse handicap is identified, that finding ~~must~~ shall be ~~forwarded in writing to~~ filed with the court and the defendant shall be required to attend an alcohol and drug education traffic school. When treatment is required, the treatment agency's progress reports ~~must~~ shall be filed with the court or the ~~Division of Adult Probation and Parole~~ Department of Correction at intervals of no greater than six months until the termination of probation or the treatment agency determines and reports that no further treatment is appropriate. If the defendant is required to participate in a treatment program and he completes the recommended treatment, he does not have to attend the alcohol and drug education traffic school. Upon the completion of the court-ordered assessment and court-ordered treatment or school, the assessing or treatment agency or school shall give the Division of Motor Vehicles the original of the certificate of completion, shall provide the defendant with a copy of that certificate, and shall retain a copy of the certificate on file for a period of five years. The Division of Motor Vehicles shall not reissue the driver's license of a defendant ordered to obtain assessment, participate in a treatment program or school unless it has received the original certificate of completion from the assessing or treatment agency or school, provided, however that a defendant may

be issued a limited driving privilege pursuant to G.S. 20-179.3. Unless the judge has waived the fee, no certificate shall be issued unless the agency or school has received the fifty dollar ($50.00) fee and the seventy-five dollar ($75.00) fee as appropriate.

The Department of Human Resources may approve programs offered in another state if they are substantially similar to programs approved in this State, and if that state recognizes North Carolina programs for similar purposes. The defendant shall be responsible for the fees at the approved program."

Sec. 3. G.S. 20-16.2(d) is amended by adding a new sentence immediately after the first sentence to read:

"Except for the time referred to in G.S. 20-16.5, if the person shows to the satisfaction of the Division that his license was surrendered to the court, and remained in the court's possession, then the Division shall credit the amount of time for which the license was in the possession of the court against the 12-month revocation period required by this subsection."

Sec. 4. Section 1 of this act shall become effective January 1, 1988 and shall expire June 30, 1989 and shall apply to sentencing for convictions after January 1, 1988.

Sec. 5. Section 2 of this act shall be established as a pilot program in not more than ten counties in the State as determined and required by the Division Director of Mental Health, Mental Retardation and Substance Abuse Services, shall become effective January 1, 1988, and shall apply to sentencing for convictions after that date. The Division for Mental Health, Mental Retardation and Substance Abuse Services shall monitor the pilot programs and shall report administrative costs, case management practices, participant recidivism, and other relevant information, to the General Assembly on or before February 1, 1989. Section 2 of this act shall become effective throughout the State July 1, 1989.

Sec. 6. Section 3 of this act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 739 **CHAPTER 798**

AN ACT TO TOLL THE STATUTE OF LIMITATIONS IN A CIVIL ACTION DURING A PERIOD OF INCOMPETENCY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 1-17(a) reads as rewritten:

"(a) A person entitled to commence an action who is at the time the cause of action accrued either

(1) Within the age of 18 years; ~~or~~

(2) Insane; or

(3) Incompetent as defined in G.S. 35A-1101(7) or (8) may bring his action within the time herein limited, after the disability is removed, except in an action for the recovery of real property, or to make an entry or defense founded on the title to real property, or to rents and services out of the same, when he must commence his action, or make his entry, within three years next after the removal of the disability, and at no time thereafter.

For those persons under a disability on January 1, 1976, as a result of being imprisoned on a criminal charge, or in execution under sentence for a criminal offense, the statute of limitations shall commence to run and no longer be tolled from January 1, 1976."

Sec. 2. This act shall become effective October 1, 1987, and apply to all causes of action arising on or after that date.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 771 **CHAPTER 799**

AN ACT TO LIMIT THE LIABILITY OF A DIRECTOR, TRUSTEE, OR OFFICER OF A RELIGIOUS SOCIETY, A FRATERNAL SOCIETY OR ORDER, OR A NONPROFIT CORPORATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 61-1 is amended by designating the present section as subsection (a) and by adding a new subsection to read:

"(b) A person serving as a trustee appointed pursuant to subsection (a) of this section or a director or officer of a religious society shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of this service, except where the person:

(1) is compensated for his services beyond reimbursement for expenses,

(2) was not acting within the scope of his official duties,

(3) was not acting in good faith,

(4) committed gross negligence or willful or wanton misconduct that resulted in the damage or injury,

(5) derived an improper personal financial benefit from the transaction,

(6) incurred the liability from the operation of a motor vehicle, or

(7) is sued in an action that would qualify as a derivative action if the organization were a for-profit corporation or as a member's or director's derivative action under G.S. 55A-28.1 or G.S. 55A-28.2 if the organization were a nonprofit corporation.

The immunity in this subsection is personal to the officers, directors, and trustees and does not immunize the organization for the acts or omissions of the officers, directors, or trustees."

Sec. 2. G.S. 58-340.8, as enacted in Chapter 483 of the 1987 Session Laws, is amended by adding a new subsection to read:

"(d) A person serving as an officer or a member of a supreme governing body of a society shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act, except where the person:

(1) is compensated for his services beyond reimbursement for expenses,

(2) was not acting within the scope of his official duties,

(3) was not acting in good faith,

(4) committed gross negligence or willful or wanton misconduct that resulted in the damage or injury,

(5) derived an improper personal financial benefit from the transaction,

(6) incurred the liability from the operation of a motor vehicle, or

(7) is sued in an action that would qualify as a derivative action if the organization were a for-profit corporation or as a member's or director's derivative action under G.S. 55A-28.1 or G.S. 55A-28.2 if the organization were a nonprofit corporation.

The immunity in this subsection is personal to the individual officers and members of the supreme governing body and does not immunize the organization for the acts or omissions of those officers or members."

Sec. 3. Article 4 of Chapter 55A of the General Statutes is amended by adding a new section to read:

"§ *55A-28.1A. Limited liability.*-- (a) A person serving as a director, trustee, or officer of a nonprofit corporation shall be immune individually from civil liability for monetary damages, except to the extent covered by insurance, for any act or failure to act arising out of

this service, except where the person:

(1) is compensated for his services beyond reimbursement for expenses,

(2) was not acting within the scope of his official duties,

(3) was not acting in good faith,

(4) committed gross negligence or willful or wanton misconduct that resulted in the damage or injury,

(5) derived an improper personal financial benefit from the transaction,

(6) incurred the liability from the operation of a motor vehicle, or

(7) is defendant in an action brought under G.S. 55A-28.1 or G.S. 55A-28.2.

(b) The immunity in subsection (a) is personal to the directors, trustees and officers, and does not immunize the corporation for liability for the acts or omissions of the directors, trustees, or officers."

Sec. 4. This act shall become effective October 1, 1987, and shall apply only to causes of action arising on or after that date.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 853 **CHAPTER 800**

AN ACT TO CLARIFY THE SALES TAX EXEMPTION OF CERTAIN AGRICULTURAL EQUIPMENT AND TO EXEMPT OTHER AGRICULTURAL EQUIPMENT FROM SALES TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13 is amended by rewriting subdivision (4c) to read as follows:

"(4c) Commercially manufactured swine, livestock, and poultry facilities to be used for commercial purposes for housing, raising, or feeding of swine, livestock, or poultry or for housing equipment necessary for these commercial activities; building materials, supplies, fixtures, and equipment to be used in the construction, repair, or improvement and that become a part of an enclosure or structure specifically designed, constructed and used for such above commercial purposes; and commercially manufactured swine, livestock, and poultry equipment, parts and accessories therefor placed or installed in or affixed to such facilities, enclosures, or structures."

Sec. 2. G.S. 105-164.4(1)n is repealed.

Sec. 3. G.S. 105-164.4(1)g is amended by deleting the period at the end of the first sentence and inserting in lieu thereof the following:

", except such machines, machinery, equipment, parts, and accessories that come within the provisions of G.S. 105-164.13(4c)."

Sec. 4. This act shall be effective September 1, 1987, and shall apply to transactions occurring on or after that date.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 684 **CHAPTER 801**

AN ACT TO AMEND THE CARY CHARTER CONCERNING DEVELOPMENT OR FACILITY FEES FOR ROAD PROJECTS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 868, Session Laws of 1971, being the Charter of the Town of Cary, is amended by adding the following new section:

"Section 7.4. (a) The Town of Cary shall have the right, power and authority to impose and collect a regulatory or development fee defined as a road project fee on all new construction within the Town limits and extraterritorial jurisdiction.

(b) It is the purpose and intent of this section to provide the Town with the legal mechanism granting it the right, power and authority to impose and collect fees to finance additional improvements within the Town limits and extraterritorial jurisdiction. These additional road improvements being caused by rapid and continued growth within the Cary area. This section provides approval to the Town to actually develop and implement such a fee system, but does not in any way, describe or detail the actual fee structure and rate classification. An extensive study will subsequently be performed to establish the basis and framework for the fee system should the system be deemed necessary in order to maintain the high level of service delivery presently available to Cary residents."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 923 **CHAPTER 802**

AN ACT AUTHORIZING THE CITY OF DURHAM TO ESTABLISH, IMPOSE AND COLLECT FACILITIES FEES ON NEW CONSTRUCTION WITHIN THE CITY AND THE CITY'S EXTRATERRITORIAL JURISDICTION AREA.

The General Assembly of North Carolina enacts:

Section 1. *Purpose.* The General Assembly finds that the City of Durham has experienced rapid growth in recent years. Large numbers of new residents and businesses have moved into the City and its surrounding extraterritorial area, and it appears that such rapid growth will continue into the foreseeable future. The influx of new residents and businesses into the City and its surrounding area creates a demand and need for additional capital facilities. The cost of such capital facilities is high and places a financial burden upon the City and its existing citizens at a time when other sources of financial aid to the City, particularly aid from the federal government, is being reduced thus creating a potential threat to the City's economy and its quality of life. The purpose of this act is to authorize the City under its police power authority to impose and collect fees from developers in order to provide capital facilities, the need for which arises in whole or in part from development of new projects (whether residential or nonresidential) in the City and the City's extraterritorial jurisdiction.

Sec. 2. The Charter of the City of Durham, being Chapter 671, 1975 Session Laws, as amended, is hereby further amended by adding to Chapter VI the following new Article:

"ARTICLE 15. Capital Facilities Fees.

"Sec. 115.1. *Definitions.* The following words in this Article shall have the following meanings unless a different meaning clearly appears from the context:

(1) 'Capital costs' has the meaning set forth in G.S. 159-48(h). The term 'purpose authorized', as used in G.S. 159-48(h), shall, for purposes of this Article 15, be deemed to refer to the purposes authorized by Section 115.3 hereof. 'Capital costs' includes payment of the principal and interest on any debt or other financial obligation incurred by the City with respect to a purpose authorized by Section 115.3 of this Article.

(2) 'Developer' means any person, firm, corporation or other legal entity, including but not limited to political subdivisions of the State, who or which constructs or

creates new construction.

(3) 'Facilities fee' means the fee authorized by this Article.

(4) 'New construction' means any new development, construction, or installation that results in real property improvement or for which a building permit is required. This term shall include the installation of a mobile home and factory built and modular housing. This term shall not include fences, billboards, poles, pipelines, transmission lines, advertising signs, or similar structures and improvements, or renovations and repairs, which do not generate the need for additional or expanded projects of the kind described in Section 115.3 upon completion of the new construction.

"Sec. 115.2. *Fees Authorized.* (a) The City Council is authorized to establish, impose and collect facilities fees for the purposes authorized in Section 115.3, on all new construction located within the City's corporate limits and/or within the boundaries of any extraterritorial jurisdiction established by the City pursuant to G.S. 160A-360 or any other law. Before establishing or amending any fee authorized by this Article, the City Council shall hold a public hearing and shall give notice of such public hearing in a manner consistent with Section 94 of this Charter.

(b) The City Council may adopt such rules and regulations as it deems necessary or convenient to effectuate the purposes of this Article, and such rules and regulations shall apply both within the City and its extraterritorial jurisdiction area.

"Sec. 115.3. *Purposes; Limitation on Use of Facilities Fees Hereunder.* (a) Facilities fees may be imposed for the following purposes:

(1) Providing streets and sidewalks, including without limitation bridges, viaducts, causeways, overpasses, underpasses, and alleys; paving, grading, resurfacing and widening streets; sidewalks, curbs and gutters, culverts and drains; traffic controls, signals, and markers; lighting; and grade crossings and the elimination thereof and grade separations.

(2) Providing parks and recreation facilities, including without limitation land, athletic fields, parks, playgrounds, recreation centers, shelters, stadiums, arenas, permanent and temporary stands, golf courses, swimming pools, wading pools, marinas, lighting, and bikepaths.

(3) Providing drainage projects in accordance with Chapter 156 or 160A of the General Statutes of North Carolina or in accordance with this Charter.

(4) Providing or acquiring open space land in accordance with Article 19, Part 4, Chapter 160A of the General Statutes of North Carolina or of this Charter.

(b) Facilities fees collected for each purpose listed in subsection (a)(1) through (a)(4) above, shall be kept in separate funds in a manner consistent with the Local Government Budget and Fiscal Control Act and the revenues so collected shall be used only for the purpose of paying the capital costs of the facilities described in each said subsection.

"Sec. 115.4. *Setting of Fees.* (a) In establishing facilities fees to be imposed pursuant to this Article, the City Council shall consider the following:

(1) The estimated cost of providing the facilities and land described in Section 115.3(a)(1) through (4) for the area within the City and its extraterritorial jurisdiction during a reasonably foreseeable period of time (not exceeding 20 years), and

(2) The percentage of such costs (determined under (1) above) which is estimated to be attributable to the need for such facilities and land caused by the new construction upon which the facilities fees are to be imposed.

(b) The amount of each facilities fee imposed and collected hereunder may be based upon schedules of fees, formulae for determining such fees or any other similar method prescribed by the City Council.

(c) In establishing the facilities fees to be imposed under this Article, the City Council may divide the City and its extraterritorial jurisdiction area into two or more zones in order to determine the estimated costs of providing any or all of the facilities and/or land described in Section 115.3 of this Charter.

(d) The City Council may establish reasonable classifications of facilities fees and such fees shall be uniformly applied within each class, provided, however, said fees may vary between zones established under subsection (c) of this section. Facilities fees collected within any zone created pursuant to subsection (c) of this section, shall be spent for the capital costs of providing facilities or projects authorized under Section 115.3 which serve such zone.

"Sec. 115.5. *Credits for Dedicated Facilities.* In establishing the facilities fees authorized by this Article, the City Council may provide for credits against any applicable facilities fee when a developer

constructs or otherwise provides any facility and/or land described in Section 115.3(a) of this Charter for public use. The City Council may prescribe the circumstances under which a developer may provide such facilities and/or land and receive such credit.

"Sec. 115.6. *Payment of Facilities Fees.* The City Council may prescribe when and by whom a facilities fee authorized by this Article shall be paid. By way of illustration and not limitation, the City Council may require the payment of any applicable facilities fee by a developer as a condition precedent to the issuance of a building permit for the developer's new construction, or any part thereof.

"Sec. 115.7. *Construction of Facilities Outside City Limits.* In addition to any other authority conferred upon the City by law, and not in derogation thereof, the City Council may provide for the construction of any facility described in Section 115.3 outside of the corporate limits of the City and may appropriate money for such purpose or purposes. The City may acquire any interest in real or personal property for any of the purposes described in said Section 115.3. Such acquisition may be pursuant to this Charter and/or the provisions of general law, including but not limited to the provisions of Chapter 40A of the General Statutes.

"Sec. 115.8. *Administrative Appeal Procedures.* The City Council may provide a procedure for hearing and deciding appeals concerning the amount of a facilities fee or the amount of any applicable credit. Such procedure, if established, may provide for a final decision to be made either by the City Council or by the Board of Adjustment. Every such decision of the City Council or the Board of Adjustment shall be subject to review by the superior court by proceedings in the nature of *certiorari.* Any petition for review by the superior court shall be filed with the clerk of superior court within 30 days after the decision of City Council or the Board of Adjustment is delivered to the appealing party. Such delivery may be by personal service or by registered mail or certified mail return receipt requested. No petition for review by the superior court of the amount of a facilities fee shall lie to the court unless the appealing party shall first pay the amount of the facilities fee to the City with such amount clearly marked as paid under protest.

"Sec. 115.9. *Limitations on Actions.* Any action contesting the validity of any ordinance or resolution adopted, or any action taken, pursuant to this Article shall be commenced not later than nine months after the effective date of such ordinance or resolution or date

of such action. Provided, however, if a procedure for hearing and deciding appeals concerning the amount of a facilities fee or the amount of any applicable credit is established pursuant to Section 115.8, then such procedure shall be exclusive and the time limitations prescribed by said Section 115.8 shall apply."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

H.B. 1050 **CHAPTER 803**

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS BY THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND EAST CAROLINA UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize construction, by The University of North Carolina at Chapel Hill and East Carolina University, of capital improvements projects described herein, and to authorize the financing of these capital improvements projects through the issuance of bonds to be repaid from income from receipts, gifts, grants, or other funds, or any combination of such funds. Prior to the execution of contracts for the projects authorized herein, the Director of the Budget, provided the Director of the Budget may consult with the Advisory Budget Commission, shall approve the method of funding the project.

Sec. 2. The projects authorized to be constructed and financed as provided in Section 1 of this act are: (a) the construction of an ambulatory care building to provide medical clinical facilities for The University of North Carolina at Chapel Hill for the purpose of providing medical care to the general public; (b) the construction of an addition to the School of Dentistry to provide dental clinical facilities for The University of North Carolina at Chapel Hill for the purpose of providing dental care to the general public and; (c) the construction of an ambulatory care building to provide medical clinical facilities for East Carolina University for the purpose of providing medical care to the general public.

Sec. 3. For the purposes of contracting for the design, construction, and financing of the ambulatory care building projects authorized in Section 1 of this act, The University of North Carolina at Chapel Hill and East Carolina University shall be exempt from the requirements of Chapter 143, Article 8, of the General Statutes and may enter into combined contracts for the design of the projects,

combined contracts for the construction of the projects, or combined contracts for the design, construction, and construction management of the projects.

Sec. 4. For the purpose of financing the construction of the projects authorized in Section 1 of this act, the Board of Governors of The University of North Carolina ("the Board") is authorized to issue, subject to the approval of the Director of the Budget, provided the Director of the Budget may consult with the Advisory Budget Commission, revenue bonds of The University of North Carolina according to the procedures and under the terms mandated by G.S. 116-187 through G.S. 116-198, except as those terms are modified by this act.

The Board in the resolution authorizing the issuance of bonds under this act may provide for a pledge to the payment of such revenue bonds and the interest thereon of the revenue derived from the projects authorized in Section 1 of this act and also for a pledge of the revenues derived from any future improvements, betterments, or extensions of the projects, or the revenues from the projects and any or all of the revenues mentioned in this sentence, without regard to whether the operations involved are deemed governmental or proprietary, it being the purpose hereof to vest in the Board broad powers which shall be liberally construed. So long as any revenues of The University mentioned in this paragraph are pledged for the payment of the principal of or interest on any bonds issued hereunder, such revenues shall be deposited in a special fund and shall be applied and used only as provided in the resolution authorizing such bonds, subject, however, to any prior pledge or encumbrance thereof.

Sec. 5. The Director of the Budget, provided the Director of the Budget may consult with the Advisory Budget Commission, may, when in his opinion it is in the best interest of the State to do so, and upon the request of The University of North Carolina Board of Governors, authorize a decrease in the scope or a change in the method of funding of any project authorized by this act.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of August, 1987.

S.B. 417 **CHAPTER 804**

AN ACT MAKING TECHNICAL AND CLARIFYING AMENDMENTS TO THE REVENUE LAWS AND TO ALLOW DEDUCTIONS OF DIVIDENDS FROM OUT-OF-STATE HOLDING COMPANIES HAVING SIGNIFICANT INCOME ATTRIBUTABLE TO NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-24 is amended as follows:

(1) by deleting the words "which would thereafter be assessed thereon under this Article" in the first sentence of that section and substituting the words "assessed under this Article on property transferred by the decedent";

(2) by deleting the phrases "under the provisions of G.S. 41-2.1" and "against such deposit or stock" in the first sentence of the second paragraph of that section;

(3) by deleting the phrase "such taxes as may be due on such deposit or stock are paid, or when" in the second sentence of the second paragraph of that section; and

(4) by deleting the phrase "the succession to such securities, deposits, asssets, or property, but in" in the third paragraph of that section and substituting the phrase "property transferred by the decedent. In".

Sec. 2. G.S. 105-130.4 is amended by inserting a new subsection (s) to read as follows and by relettering the succeeding subsection accordingly:

"(s) All business income of an air or water transportation corporation shall be apportioned by a fraction, the numerator of which is the corporation's revenue ton miles in this State and the denominator of which is the corporation's revenue ton miles everywhere. The term 'revenue ton mile' means one ton of passengers, freight, mail, or other cargo carried one mile. In making this computation, a passenger is considered to weigh two hundred pounds."

Sec. 3. G.S. 105-130.5(c)(3) is rewritten to read:

"(3) No deduction is allowed for any direct or indirect expenses related to income not taxed under this Division; provided, no adjustment shall be made under this subsection for adjustments addressed in G.S. 105-130.5(a) and (b)."

Sec. 4. G.S. 105-130.10 is amended by deleting the last sentence of that section.

Sec. 5. G.S. 105-147(13) is amended by deleting the sentence immediately preceding paragraph c. of that subdivision.

Sec. 6. G.S. 105-163.07 is amended by deleting the words "Individual income" from the catch line to that section and substituting the word "Income".

Sec. 7. G.S. 105-213(a) is amended by rewriting the second paragraph of that subsection to read:

"In determining the amount to be distributed, the Secretary shall deduct from the net amount of taxes collected under this Article, which is the total amount collected less refunds, the cost to the State for the preceding fiscal year to:

(1) Collect and administer the taxes levied under this Article;
(2) Perform the duties imposed upon the Department of Revenue by Article 15 of this Chapter;
(3) Operate the Property Tax Commission; and
(4) Operate a training program in property tax appraisal and assessment administration by the Institute of Government."

Sec. 8. Notwithstanding Section 7 of this act, in determining the amount to be distributed under G.S. 105-213 for the fiscal year ending June 30, 1987, the Department of Revenue shall deduct all tax credits allowed under G.S. 105-122(d) during that fiscal year.

Sec. 9. G.S. 105-228.9 is rewritten to read:

"§ *105-228.9. Commissioner of Insurance to administer Article.*-- This Article shall be administered solely by the Commissioner of Insurance, who has the same authority and responsibility in administering this Article as the Secretary of Revenue has in administering the other Articles of this Chapter. All provisions of this Chapter that are not inconsistent with this Article apply to this Article."

Sec. 10. G.S. 105-130.7(5) reads as rewritten:

"(5) Notwithstanding any other provisions of this Division, a corporation which is a shareholder in a holding company ~~having its commercial domicile in North Carolina~~ shall be allowed as a deduction an amount equal to those dividends received by it from such holding company, multiplied by a fraction, the numerator of which shall be the dividends received by such holding company attributable to North Carolina, and the denominator of which shall be the gross dividends received by such holding company; provided, however, that no deduction shall be allowed where the fraction is smaller than one-third (1/3). For purposes of this section, 'dividends attributable to North Carolina' shall be the amount of dividend income received by the holding company on stock owned in other corporations equal to the total of the proportion of each of such corporation's dividends as shall be determined deductible by the Secretary under subdivisions (1) through (3a) of this section; provided that a holding company ~~having its commercial domicile in North Carolina~~ which owns more than fifty

percent (50%) of the outstanding voting stock of one or more holding companies as defined in this subdivision shall be permitted a deduction for all dividends received from such holding companies and all other corporations in which it owns more than fifty percent (50%) of the outstanding voting stock except that no deduction shall be allowed if less than one-third (1/3) of the dividends received by the holding company are attributable to North Carolina. A shareholder of such a holding company shall determine the deductible portion of its dividends received from such holding company as hereinabove provided except that the amounts received from a subsidiary holding company as 'dividends attributable to North Carolina' shall be determined as though the subsidiary corporation of the subsidiary holding company had paid the dividends directly to the parent holding company. For the purposes of this section and unless the context clearly requires a different meaning, 'holding company' shall mean any corporation ~~having its commercial domicile in North Carolina~~ subject to the tax imposed by G.S. 105-130.3 whose ordinary gross income consists of fifty percent (50%) or more of dividend income received from corporations in which it owns more than fifty percent (50%) of the outstanding voting stock, and 'subsidiary' shall mean any corporation, more than fifty percent (50%) of whose outstanding voting stock is owned by another corporation. For the purposes of this subsection, the term 'dividend' includes, in addition to corporate dividends, distributions received from a partnership by a corporation owning more than a fifty percent (50%) interest in the partnership."

Sec. 11. Section 10 of this act is effective for taxable years beginning on or after January 1, 1987. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 507 **CHAPTER 805**

AN ACT TO CLARIFY THE LAW CONCERNING LOCAL REGULATION OF THE PLACEMENT OF MANUFACTURED HOMES AND TO REQUIRE TAXATION OF MANUFACTURED HOMES AS REAL PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ *160A-383.1. Zoning regulations for manufactured homes.*--(a) The General Assembly finds and declares that manufactured housing offers affordable housing opportunities for low and moderate income residents of this State who could not otherwise afford to own their own home. The General Assembly further finds that some local governments have adopted zoning regulations which severely restrict the placement of manufactured homes. It is the intent of the General Assembly in enacting this section that cities reexamine their land use practices to assure compliance with applicable statutes and case law, and consider allocating more residential land area for manufactured homes based upon local housing needs.

(b) For purposes of this section, the term 'manufactured home' is defined as provided in G.S. 143-145(7).

(c) A city may not adopt or enforce zoning regulations or other provisions which have the effect of excluding manufactured homes from the entire zoning jurisdiction.

(d) A city may adopt and enforce appearance and dimensional criteria for manufactured homes. Such criteria shall be designed to protect property values, to preserve the character and integrity of the community or individual neighborhoods within the community, and to promote the health, safety and welfare of area residents. The criteria shall be adopted by ordinance.

(e) In accordance with the city's comprehensive plan and based on local housing needs, a city may designate a manufactured home overlay district within a residential district. Such overlay district may not consist of an individual lot or scattered lots, but shall consist of a defined area within which additional requirements or standards are placed upon manufactured homes.

(f) Nothing in this section shall be construed to preempt or supersede valid restrictive covenants running with the land. The terms 'mobile home' and 'trailer' in any valid restrictive covenants running with the land shall include the term 'manufactured home' as defined in this section."

Sec. 2. Chapter 153A of the General Statutes is amended by adding a new section to read:

"§ *153A-341.1. Zoning regulations for manufactured homes.*-- The provisions of G.S. 160A-383.1 shall apply to counties."

Sec. 3. G.S. 105-273(13) is amended by adding a new sentence at the end to read:

"These terms also mean a manufactured home as defined in G.S. 143-143.9(6) if it is a multi-section residential structure (consisting of two or more sections); has the moving hitch, wheels, and axles removed; and is placed upon a permanent enclosed foundation on land

owned by the owner of the manufactured home."

Sec. 4. G.S. 105-316.7 is amended by adding a sentence after the first sentence, to read:

"It also means a manufactured home as described in G.S. 105-273(13)."

Sec. 5. Sections 1 and 2 of this act are effective upon ratification. Sections 3 and 4 of this act shall become effective for tax years beginning on and after January 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1051 **CHAPTER 806**

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENT PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize construction, by certain constituent institutions of The University of North Carolina, of the capital improvement projects listed herein for each such institution, and to authorize the financing of these said capital improvement projects with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, or other funds, or any combination of such funds, but not including funds appropriated from the General Fund of the State.

Sec. 2. The projects authorized to be constructed and financed as provided in Section 1 of this act are as follows:

1. Appalachian State University	
Expansion of Field House	$ 1,095,800
2. North Carolina State University at Raleigh	
a. Addition to University Student Center	5,610,800
b. Renovation of the Fraternity Court Project	3,479,000
c. Construction of a Sorority Housing/Dining Complex	2,067,000
d. Student Supply Store Renovation	1,780,000
e. Parking Facility	8,895,700
3. The University of North Carolina at Chapel Hill	
a. Musculoskeletal Diseases Center	12,417,300
b. Addition to Alcohol Studies Center	3,945,100

c. Medical Research Building	10,064,200
d. Expand Parking Facilities	12,277,900
4. The University of North Carolina at Greensboro	
a. Renovation of Residence Halls	2,500,000
b. Student Recreation Facility	7,988,000
5. The University of North Carolina at Wilmington	
a. 600 Student Dining Facility	4,835,500
b. University Union Annex	4,174,500
Grand Total Self-Liquidating Authorizations	$ 81,130,800

Sec. 3. The Director of the Budget, provided the Director of the Budget may consult with the Advisory Budget Commission, may, when in his opinion it is in the best interest of the State to do so, and upon the request of The University of North Carolina Board of Governors, authorize a decrease in the scope or a change in the method of funding of any project authorized by this act.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

S.B. 781 **CHAPTER 807**

AN ACT TO PROVIDE THAT THE CITIES AND COUNTIES NEED NOT MAIL ZONING NOTICES FOR A TOTAL REZONING.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-384 reads as rewritten:

"§ *160A-384. Method of procedure.*--The city council shall provide for the manner in which zoning regulations and restrictions and the boundaries of zoning districts shall be determined, established and enforced, and from time to time amended, supplemented or changed, in accordance with the provisions of this Article. The procedures adopted pursuant to this section shall provide that whenever there is a zoning classification action involving a parcel of land, the owner of that parcel of land as shown on the county tax listing, and the owners of all parcels of land abutting that parcel of land as shown on the county tax listing, shall be mailed a notice of the proposed classification by first class mail at the last addresses listed for such owners on the county tax abstracts.~~;~~ provided that this sentence does not apply in the case of a total rezoning of all property within the corporate boundaries of a municipality. The person or persons mailing such notices shall certify to the City Council that fact, and

such certificate shall be deemed conclusive in the absence of fraud."

Sec. 2. G.S. 153A-343 reads as rewritten:

"§ *153A-343. Method of procedure.*--The board of commissioners shall, in accordance with the provisions of this Article, provide for the manner in which zoning regulations and restrictions and the boundaries of zoning districts shall be determined, established, and enforced, and from time to time amended, supplemented, or changed. The procedures adopted pursuant to this section shall provide that whenever there is a zoning classification action involving a parcel of land, the owner of that parcel of land as shown on the county tax listing, and the owners of all parcels of land abutting that parcel of land as shown on the county tax listing, shall be mailed a notice of the proposed classification by first class mail at the last addresses listed for such owners on the county tax abstracts.; provided that this sentence does not apply in the case of a total rezoning of all property within the boundaries of a county. The person or persons mailing such notices shall certify to the Board of Commissioners that fact, and such certificate shall be deemed conclusive in the absence of fraud."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 109 **CHAPTER 808**

AN ACT TO ESTABLISH THE BUSINESS LICENSE INFORMATION OFFICE.

Whereas, the Simplified Business Licensing Study Commission was created July 1985, to address the need of the State's business community for relief from an unnecessarily burdensome licensing system; and

Whereas, the Simplified Business Licensing Study Commission examined the current system of issuing State business licenses and permits and compared it with the licensing systems of other states; and

Whereas, the Simplified Business Licensing Study Commission identified those aspects of the current system that are most inefficient and unnecessarily frustrating to the State's business community; and

Whereas, the Simplified Business Licensing Study Commission documented the need to establish a central office to provide information on State license and permit requirements, assistance in

understanding those requirements and assistance preparing the required forms; and

Whereas, the Simplified Business Licensing Study Commission also documented the need to eliminate the duplication of information required by State agencies that often occurs if several licenses are needed to operate a business; and

Whereas, the Simplified Business Licensing Study Commission recognized that all of the necessary changes could not be made in the existing structure of State government without legislation; and

Whereas, the Simplified Business Licensing Study Commission recommended that a one-stop licensing system be adopted as provided below; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Chapter 147 of the General Statutes is amended by adding a new Article to read:

"Article 4B.

"Business License Information Office.

"§ *147-54.11. Purpose.*--It is the purpose of this Article to provide a convenient, accessible, and timely one-stop system for the business community to acquire and maintain the necessary State licenses to conduct business. Use of this one-stop system by an applicant is optional. An applicant may deal directly with the appropriate State licensing agency if he so prefers. To accomplish this goal, a business license information office is established to provide information to the business community on all State licensing and regulatory requirements and, to the extent feasible, to provide local and federal information on the same regulated activities. In addition to providing information on State licensing requirements, the business license information office shall develop an operating plan for an automated master application system, shall determine the software and hardware needs of the system, shall determine the staffing levels required for the system, and shall determine the space requirements for the office and automated system.

It is the intent of the General Assembly that the authority for determining whether a requested license shall be issued shall remain with the agency legally authorized to issue the license.

"§ *147-54.12. Definitions.*--The following definitions apply in this Article:

(1) 'Director' means the director of the Business License Information Office.

(2) 'Environmental license' means any certificate, permit, or other approval by whatever name called, pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air, or water, which is required to be obtained from a State agency or instrumentality, including, but not limited to, any certificate, permit, or other approval by whatever name called, pertaining to a pollution control rule or standard established by the Division of Health Services, Department of Human Resources or the Secretary of the Department of Human Resources.

(3) 'License' means any certificate, permit, or other evidence, by whatever name called, of a right or privilege to engage in any activity, except occupational licenses and licenses issued under Chapter 20 of the General Statutes.

(4) 'Occupational license' means any certificate, permit, or other evidence, by whatever name called, of a right or privilege to engage in a profession, occupation, or field of endeavor that is issued by any occupational licensing agency.

(5) 'Occupational licensing agency' means any board, commission, committee, or other agency of the State that is established for the primary purpose of regulating the admission or conduct of persons in a particular profession, occupation, or field of endeavor, and is authorized to issue and revoke licenses. The term does not include a State agency or department that issues permits or licenses as only a part of its regular function.

(6) 'Office' means the Business License Information Office.

(7) 'Regulatory' means all licensing and other governmental or statutory requirements pertaining to business or professional activities.

(8) 'Secretary' means the Secretary of State.

"§ *147-54.13. Business License Information Office established; appointment of director.*--(a) There is established within the Department of the Secretary of State the Business License Information Office. The Office shall be under the direction and supervision of a full-time salaried State employee who shall be designated as the Director. The Director shall be appointed by the Secretary of State and shall receive a salary commensurate with State government pay schedules for the duties of this office, or such salary to be set by the State Personnel Board pursuant to G.S. 126-4. Necessary travel allowance or reimbursement for expenses shall be authorized for the Director in accordance with G.S. 138-6. Sufficient staff shall be provided under the direction of the Secretary.

(b) The Office shall make recommendations to agencies and the General Assembly for eliminating, consolidating, simplifying, or expediting licenses, or otherwise improving licensing procedures affecting business undertakings.

(c) The Office shall promulgate and adopt rules and forms necessary to carry out the purposes of this Article.

"§ *147-54.14. Clearinghouse functions.*--The Office shall be a clearinghouse for State business license information and shall perform the following duties:

(1) Establish a license information service detailing requirements for establishing and engaging in business in the State;

(2) Provide the most recent forms and information sheets for all State business licenses; and

(3) Prepare, publish, and distribute a complete directory of all State licenses required to do business in North Carolina.

"§ *147-54.15. License coordination and assistance to applicants.*--Upon request, the Office shall assist a person as provided below:

(1) Identify the type and source of licenses that may be required and the potential difficulties in obtaining the licenses based on an informal review of a potential applicant's business at an early stage in its planning. Information provided by the Office is for guidance purposes only and may not be asserted by an applicant as a waiver or release from any license requirement;

(2) Arrange an informal conference between the person and the appropriate agency to clarify licensing requirements or standards, if necessary;

(3) Assist in preparing the appropriate application and supplemental forms;

(4) Monitor the license review process to determine the status of a particular license. If there is a delay in the review process, the Office may demand to know the reasons for the delay, the action required to end the delay, and shall provide this information to the applicant. The Office may assist the applicant in resolving a dispute with an agency during the application process. If a request for a license is refused, the Office may explain the recourse available to the person under the Administrative Procedure Act.

"§ *147-54.16. Master application system.*--The Office shall develop an operating plan for an automated master application system, shall determine the software and hardware needs of the system, and shall determine the staffing levels and space required for the system. The plan shall be developed with the assistance of the departments that issue business licenses and with due regard to privacy statutes. In making the determinations and developing an operating plan for an

automated master application system, the Office shall identify the business licenses appropriate for inclusion in a master application system and shall develop a master application form that consolidates the information needed for the various State agencies to issue the licenses. Environmental licenses may not be included in a master application form.

"§ *147-54.17. License coordinator designated in all State agencies.*--(a) Each agency shall cooperate fully with the Office in providing information on the licenses and regulatory requirements of the agency, in coordinating conferences with applicants to clarify license and regulatory requirements, and in developing a plan for an automated master application system.

(b) Each agency shall designate a business license coordinator. The coordinator shall have the following responsibilities:

(1) To provide to the Office the most recent application and supplemental forms required for each license issued by the agency, the most recent information available on existing and proposed agency rules, the most recent information on changes or proposed changes in license requirements or agency rules and how those changes will affect the business community, and agency publications that would be of aid or interest to the business community;

(2) To work with the Office in scheduling conferences for applicants as provided under G.S. 147-54.15;

(3) To determine, upon request of an applicant or the Office, the status of a license application or renewal, the reason for any delay in the license review process, and the action needed to end the delay; and to notify the applicant or Office, as appropriate, of those findings;

(4) To work with the Office or applicant, upon request, to resolve any dispute that may arise between the agency and the applicant during the review process;

(5) To review agency regulatory and license requirements and to provide a written report to the Office that identifies the regulatory and licensing requirements that affect the business community; indicates which, if any, requirements should be eliminated, modified, or consolidated with other requirements; and explains the need for continuing those requirements not recommended for elimination.

"§ *147-54.18. Use of Business License Information Office optional.*--The services offered to applicants by the Business License Information Office are optional. An applicant may deal directly with the licensing agency in obtaining information, assistance, or in applying for a license if the applicant so prefers."

Sec. 2. The Business License Information Office shall implement the provisions of this act so that it will be capable of performing the following functions within the time periods listed below:

(1) The clearinghouse functions set out in G.S. 147-54.14 shall be established and implemented within one year after the effective date of this act.

(2) The license coordination and applicant assistance functions as provided by G.S. 147-54.15 shall be set up within two years after the effective date of this act.

(3) An operating plan for an automated master application system shall be developed and the software, hardware, space, and staffing needs for the system shall be determined as provided by G.S. 147-54.16 within three years after the effective date of this act.

Sec. 3. The provisions of this act are severable, and if any provision of this act is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions of the act which can be given effect without the invalid provision.

Sec. 3.1. Of the funds appropriated in Section 2 of Chapter 738 of the 1987 Session Laws to the Department of Secretary of State, the sum of one hundred ninety-five thousand two hundred twelve dollars ($195,212) for the 1987-88 fiscal year and the sum of five hundred seventy-six thousand two hundred eighteen dollars ($576,218) for the 1988-89 fiscal year shall be used to implement this act.

Sec. 4. This act shall become effective October 1, 1987. The Department of the Secretary of State shall report by October 1, 1988, and annually thereafter to the Joint Legislative Commission on Governmental Operations on its progress implementing the provisions of this act.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 267 **CHAPTER 809**

AN ACT TO AMEND CHAPTER 126 TO PROVIDE FOR PERMANENT HOURLY EMPLOYEES IN THE DEPARTMENT OF TRANSPORTATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 126-5 is amended by adding a new subsection to read:

"(c4) The State Personnel Commission shall establish a position and appointment type for certain field force positions and employees in

the Division of Highways, Department of Transportation, where, in the judgement of the Commission, such appointment is for a position that is an entry level occupation, is for a duration of at least one-half of the workdays of each pay period for at least nine calendar months per year, and is reflective of employment practices in competing labor markets. This appointment type shall be for 'permanent hourly employees.' Except as to the policies, rules, and plans established by the Commission pursuant to G.S. 126-4(1), 126-4(2), and 126-4(3), and except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this Chapter shall not apply to permanent hourly employees. The State Personnel Commission regulations shall provide that these employees will be guaranteed two hours show-up pay when work is postponed, and pay for holidays falling within periods of employment."

Sec. 2. G.S. 135-4(s) is amended by adding a sentence at the end to read:

"The provisions of this subsection shall also apply to the purchase of creditable service for State employment when classified as a permanent hourly employee in accordance with G.S. 126-5(c4)."

Sec. 3. G.S. 135-40.2(a) is amended by adding a new subsection to read:

"(1a) Permanent hourly employees as defined in G.S. 126-5(c4) who work at least one-half of the workdays of each pay period."

Sec. 4. G.S. 135-40.2(b) is amended by adding a new subsection to read:

"(4a) Permanent hourly employees as defined in G.S. 126-5(c4) who work less than one-half of the workdays of each pay period."

Sec. 5. This act is effective October 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 639 **CHAPTER 810**

AN ACT TO AMEND G.S. 7A-657 TO ALLOW WAIVER OF PERIODIC REVIEW HEARINGS OF CUSTODY ORDERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-657 is rewritten to read:

"(a) In any case where the judge removes custody from a parent or person standing *in loco parentis* because of dependency, neglect or abuse, the juvenile shall not be returned to the parent or person standing *in loco parentis* unless the judge finds sufficient facts to show that the juvenile will receive proper care and supervision.

In any case where custody is removed from a parent, the judge shall conduct a review within six months of the date the order was entered, and shall conduct subsequent reviews at least every year thereafter. The Director of Social Services shall make timely requests to the clerk to calendar the case at a session of court scheduled for the hearing of juvenile matters within six months of the date the order was entered. The Director shall make timely requests for calendaring of the yearly reviews thereafter. The clerk shall give 15 days' notice of the review to the parent or the person standing *in loco parentis*, the juvenile if 12 years of age or more, the guardian, foster parent, custodian or agency with custody, the guardian *ad litem*, and any other person the court may specify, indicating the court's impending review.

(b) Notwithstanding other provisions of this Article, the court may waive the holding of review hearings required by subsection (a), may require written reports to the court by the agency or person holding custody in lieu of review hearings, or order that review hearings be held less often than every 12 months, if the court finds by clear, cogent and convincing evidence that:

(1) The juvenile has been placed with a relative for a continuous period of at least one year; and

(2) The placement is stable and continuation of the placement is in the juvenile's best interest; and

(3) Neither the juvenile's best interests nor the rights of any party require that review hearings be held every 12 months; and

(4) All parties are aware that the matter may be brought before the court for review at any time by the filing of a motion for review or on the court's own motion; and

(5) The court order has designated the relative as the juvenile's permanent caretaker at the review at which these findings are made.

The court may not waive or refuse to conduct a review hearing if a party files a motion seeking the review.

(c) At every review hearing, the court shall consider information from the Department of Social Services, the court counselor, the juvenile, the parent or person standing *in loco parentis*, the custodian, the foster parent, the guardian *ad litem*, and any public or private agency which will aid it in its review.

In each case the court shall consider the following criteria:

(1) Services which have been offered to reunite the family;

(2) Where the juvenile's return home is unlikely, the efforts which have been made to evaluate or plan for other methods of care;
(3) Goals of the foster care placement and the appropriateness of the foster care plan;
(4) A new foster care plan, if continuation of care is sought, that addresses the role the current foster parent will play in the planning for the juvenile;
(5) Reports on the placements the juvenile has had and any services offered to the juvenile and the parent;
(6) When and if termination of parental rights should be considered;
(7) Any other criteria the court deems necessary.

(d) The judge, after making findings of fact, shall enter an order continuing the placement under review or providing for a different placement as is deemed to be in the best interest of the juvenile. If at any time custody is restored to a parent, the court shall be relieved of the duty to conduct periodic judicial reviews of the placement."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th of August, 1987.

H.B. 742 **CHAPTER 811**

AN ACT TO REGULATE HUNTING AND PROMOTE FIREARMS SAFETY IN WAKE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. It shall be unlawful for any person to discharge any centerfire rifle or centerfire handgun for any purpose whatsoever, including but not limited to hunting or target shooting, upon the lands of another without first having secured the express written permission of the owner or lessee of the land on which such discharge is to occur. Said written permission shall name the person to whom it is given and must be in the possession of the person discharging a firearm upon the lands of another at the time of the discharge of the firearm.

Sec. 2. This act shall not apply to the use of firearms in defense of person or property; to law enforcement officers or members of the armed forces acting in the line of duty; to the use of firearms pursuant to the lawful direction of law enforcement officers; or to the owner or lessee or the spouse or children of same, of the land upon which the firearm is being discharged.

Sec. 3. This act shall be enforceable by law enforcement officers of the Wildlife Resources Commission when there is in effect an open season for taking wildlife with firearms, by deputy sheriffs and sheriffs, and by other peace officers with general subject matter jurisdiction.

Sec. 4. This act shall apply to Wake County only.

Sec. 5. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 834 **CHAPTER 812**

AN ACT TO MAKE CERTAIN INSURANCE DEPARTMENT EMPLOYEES ELIGIBLE FOR DEATH BENEFITS WHILE ENGAGED IN CERTAIN FIRE AND RESCUE ACTIVITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-166.2(d) is amended in the second sentence immediately after "activities" by changing the period to a semicolon and by adding the following:

"and shall mean all full-time employees of the North Carolina Department of Insurance during the time they are actively engaged in fire-fighting activities, during the time they are training fire fighters or rescue squad workers, and during the time they are engaged in activities as members of the State Emergency Response Team, when the Team has been activated."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1142 **CHAPTER 813**

AN ACT TO MAKE TECHNICAL CHANGES TO THE REVENUE LAWS AND MACHINERY ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-273(8a) reads as rewritten:

"(8a) 'Inventories' means goods held for sale in the regular course of business by manufacturers and retail and wholesale merchants. As to manufacturers, the term includes raw materials, goods in process, and finished goods, as well as other materials or supplies that are consumed in manufacturing or processing, or that accompany and become a part of the sale of the property being sold. The term also

includes crops, livestock, poultry, feed used in the production of livestock and poultry, and other agricultural or horticultural products held for sale, whether in process or ready for sale. The term does not include fuel used in manufacturing or processing, nor does it include materials or supplies not used directly in manufacturing or processing. As to retail and wholesale merchants, the term includes, in addition to articles held for sale, packaging materials that accompany and become a part of the sale of the property being sold."

Sec. 2. G.S. 105-273(10a) reads as rewritten:

"(10a) 'Manufacturer' means a taxpayer who is regularly ~~engaged, at a manufacturing or processing plant, mill, or factory in this State,~~ engaged in the mechanical or chemical conversion or transformation of materials or substances into new products for ~~sale.~~ sale or in the growth, breeding, raising, or other production of new products for sale. The term does not include delicatessens, cafes, cafeterias, restaurants, and other similar retailers that are principally engaged in the retail sale of foods prepared by them for consumption on or off their premises."

Sec. 3. G.S. 105-273(13a) reads as rewritten:

"(13a) 'Retail Merchant' means a taxpayer who is regularly engaged in the sale of tangible personal property, acquired by a means other than manufacture, processing, or producing by the merchant, to users or consumers. ~~For the purpose of the classification in G.S. 105-277(i), the term includes a manufacturer who holds property for sale that it did not manufacture or who holds finished goods for sale at a location other than its establishment.~~"

Sec. 4. G.S. 105-273(19) reads as rewritten:

"(19) 'Wholesale Merchant' means a taxpayer who is regularly engaged in the sale of tangible personal property, acquired by a means other than manufacture, processing, or producing by the merchant, to other retail or wholesale merchants for resale or to manufacturers for use as ingredient or component parts of articles being manufactured for sale. ~~For the purpose of the classification in G.S. 105-277(i), the term includes a manufacturer who holds property for sale that it did not manufacture or who holds finished goods for sale at a location other than its establishment.~~"

Sec. 5. G.S. 105-275(1), (4), (9), (10), (11), (22), and (30) are repealed.

Sec. 6. G.S. 105-275(25) reads as rewritten:

"(25) Tangible personal property shipped into this State for the purpose of repair, alteration, maintenance or servicing and reshipment to the owner outside this State. ~~This classification shall not include raw materials, supplies, or goods in process of manufacture in this State.~~"

Sec. 7. Effective January 1, 1989, G.S. 105-275.1, as enacted by Chapter 622 of the 1987 Session Laws, reads as rewritten:

"§ *105-275.1. Reimbursement for exclusion of manufacturers' inventories.*--(a) Initial Distribution. On or before January 15, 1989, the governing body of each county and each city shall furnish to the Secretary a list of all the inventories owned by manufacturers that were ~~taxed in 1987 by~~ required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city under this Subchapter. The list shall contain the value of the inventories ~~taxed~~ as well as the property tax rates in effect in the county or city for the eight years from 1980 through 1987. The list shall also contain the property tax rates in effect for those years in each special district ~~or unit of government~~ for which the county or city collected taxes in 1987 but whose tax rates were not included in the rates listed for the county or city, and the value of the inventories ~~taxed~~ owned by manufacturers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in that ~~district or unit.~~ district. The list shall be accompanied by an affidavit attesting to the accuracy of the list and shall be on a form prescribed by the Secretary.

~~Within 60 days after receiving a certified list as required by this subsection,~~ On or before March 20, 1989, the Secretary shall pay to each county and city that submitted a list under this subsection an amount equal to the county or city average rate, as provided below, multiplied by the value of the inventories owned by manufacturers that were ~~taxed in 1987 by~~ required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

~~Within 60 days after receiving a certified list as required by this subsection,~~ On or before March 20, 1989, the Secretary shall also pay to each county and city that submitted a list under this subsection an amount equal to the average rate, as provided below, for each special district ~~or unit of government~~ for which the county or city collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by the value of the inventories owned by manufacturers that were ~~taxed in 1987~~ required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the ~~district or unit.~~ district, plus or minus the

percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

The Secretary shall calculate an average rate for each county and city, and for each special district ~~or unit of government~~ whose tax rates were not included in the tax rates of a county or city, as the arithmetic mean of the property tax rates in effect in the county, city, ~~district, or unit~~ or district for the eight years from 1980 through 1987. If a county, city, or district did not have tax rates in effect for the entire eight-year period, the average rate shall be the arithmetic mean of the property rates in effect for the years during the eight-year period that it did have rates in effect.

Of the funds received by each county and city pursuant to this subsection, the portion that was received because the county or city was collecting taxes for ~~another~~ a special district ~~or unit of government~~ (either because the ~~district or unit's~~ district's tax rate was included in the city or county's rate or because the Secretary paid the county or city the product of the ~~district or unit's~~ district's average rate and the value of the inventories in the ~~district or unit)~~ district) shall be distributed among the districts ~~and units~~ in the county or city in accordance with regulations issued by the Local Government Commission. This distribution shall be made as soon as practicable after the city or county receives funds under this subsection.

(b) Subsequent Distributions. Thereafter, as soon as practicable after January 1 of each year, the Secretary shall distribute to each county and city the amount it received under this section the preceding year. As soon as practicable after receiving funds under this subsection, every county and city shall distribute among the special districts ~~and units of government~~ for which the county or city collects tax an amount equal to the amount it distributed among such districts ~~and units~~ the previous year. This distribution shall be in accordance with regulations issued by the Local Government Commission.

(c) Use. Funds received by a county, city, ~~special district, or other unit of government~~ or special district under this section may be used for any lawful purpose.

(d) 'City' Defined. As used in this section, the term 'city' has the same meaning as in G.S. 153A-1(1).

(e) Source of Funds. To pay for the distribution required by this section and the cost to the Department of Revenue of making the distribution, the Secretary of Revenue shall charge the collections

received by the Department under Division I of Article 4 of Chapter 105 with an amount equal to the amount distributed and the cost of making the distribution."

Sec. 8. G.S. 105-276 is amended by deleting the phrase "G.S. 105-275(30)" and substituting "G.S. 105-275(31)".

Sec. 9. G.S. 105-277(a), (b), (c), and (e) are repealed.

Sec. 10. G.S. 105-277A(a) reads as rewritten:

"(a) The Secretary of Revenue shall reimburse taxing units for the partial property tax exclusion provided for retailers' and wholesalers' inventories as provided in this section. ~~As soon as practicable after January 1 of 1987, the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of nine million six hundred thousand dollars ($9,600,000).~~ As soon as practicable after January 1 of 1988, the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of ~~twenty million eight hundred thousand dollars ($20,800,000).~~ fifteen million eighty thousand dollars ($15,080,000). Thereafter, as soon as practicable after January 1 of each year the Secretary shall distribute to each taxing unit the unit's per capita share of the sum distributed to all taxing units the previous year, plus or minus an amount that equals the product of the sum distributed the previous year and the percentage by which State ~~disposable~~ personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

To make the per capita distributions required by this section, the Secretary shall first allocate the sum to be distributed among the counties on a per capita basis. The Secretary shall then compute a per capita distributable amount for each county by dividing the amount allocated to a county by the total population of the county, plus the population of any incorporated towns and cities located in the county. Each taxing unit in a county, including the county itself, shall receive the product of the population of the taxing unit and the per capita distributable amount for that county. The Secretary shall use the most recent annual population estimates certified by the State Budget Officer in determining the population of taxing units.

As used in this subsection, the term 'taxing unit' means a unit that levied a property tax for the fiscal year beginning July 1 of the year preceding the date a distribution is made under this section."

Sec. 11. Effective January 1, 1989, G.S. 105-277A, as rewritten by Chapter 622 of the 1987 Session Laws, reads as rewritten:

"§ *105-277A. Reimbursement for exclusion of retailers' and wholesalers' inventories.*--(a) Submission of Claims. ~~The Secretary of Revenue shall reimburse taxing units for the property tax exclusion provided for retailers' and wholesalers' inventories as provided in this section.~~ On or before January 15, 1989, the governing body of each county and city shall furnish to the Secretary a list of all the inventories owned by retailers and wholesalers that were ~~taxed in 1987 by~~ required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city under this Subchapter. The list shall contain the value of the inventories ~~taxed~~ as well as the property tax rates in effect in the county or city for the eight years from 1980 through 1987. The list shall also contain the property tax rates in effect for those years in each special district ~~or unit of government~~ for which the county or city collected taxes in 1987 but whose tax rates were not included in the rates listed for the county or city, and the value of the inventories ~~taxed~~ owned by retailers and wholesalers that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in that ~~district or unit.~~ district. The list shall be accompanied by an affidavit attesting to the accuracy of the list and shall be on a form prescribed by the Secretary.

The Secretary shall calculate an average rate for each county and city, and for each special district ~~or unit of government~~ whose tax rates were not included in the tax rates of a county or city, as the arithmetic mean of the property tax rates in effect in the county, city, ~~district, or unit~~ or district for the eight years from 1980 through 1987. If a county, city, or district did not have tax rates in effect for the entire eight-year period, the average rate shall be the arithmetic mean of the property rates in effect for the years during the eight-year period that it did have rates in effect.

(b) Per Capita Distribution. As soon as practicable after January 1 of 1989, the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of fifteen million seven hundred forty-five thousand dollars ($15,745,000). Thereafter, as soon as practicable after January 1 of each year the Secretary shall distribute to each taxing unit the unit's per capita share of an amount equal to the sum distributed to all taxing units the previous year under this subsection plus or minus the product of the sum distributed the previous year and the percentage by which State personal income has increased or

decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

To make the per capita distributions required by this subsection, the Secretary shall first allocate the sum to be distributed among the counties on a per capita basis. The Secretary shall then compute a per capita distributable amount for each county by dividing the amount allocated to a county by the total population of the county, plus the population of any incorporated towns and cities located in the county. Each taxing unit in a county, including the county itself, shall receive the product of the population of the taxing unit and the per capita distributable amount for that county.

A city or county that receives funds under this subsection and that collects taxes for another taxing unit shall distribute part of the taxes received by it to the taxing unit for which it collects tax. The distribution shall be made on the basis of the proportionate amount of ad valorem taxes levied, for the most recent fiscal year beginning July 1, by the city or county and by all the taxing units for which the city or county collects tax. This distribution shall be made as soon as practicable after a city or county receives funds from the State under this section.

(c) Claims-based Distribution. ~~Within 60 days after receiving a certified list as required by this subsection,~~ On or before March 20, 1989, the Secretary shall ~~pay~~ allocate to each county ~~its per capita share of the sum of thirteen million two hundred thirty thousand dollars ($13,230,000) plus~~ an amount equal to the greater of the following:

(1) The county's per capita share of the sum of thirty-nine million dollars ($39,000,000); or

(2) The total of the county average rate multiplied by eighty percent (80%) of the value of the inventories ~~owned by retailers and wholesalers that were taxed in 1987~~ reported to the Secretary under subsection (a) of this section by the county, plus the city average rate for each city in the county multiplied by eighty percent (80%) of the value of the inventories ~~that were taxed in 1987~~ reported to the Secretary under subsection (a) of this section by the city, plus the average rate for each special district ~~or unit of government~~ for which the county or a city in the county collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by eighty percent (80%) of the value of the inventories ~~owned by retailers and wholesalers that were taxed in 1987 in the district or unit,~~ reported to the Secretary under subsection

(a) of this section in behalf of the district, ~~minus two and one-half percent (2.5%) of the total distribution received by the county under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between September 1, 1987, and June 30, 1988,~~ plus or minus the percentage of this sum that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of ~~Commerce.~~ Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the county and the cities located in the county under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988.

Each year thereafter, as soon as practicable after January 1, the Secretary of Revenue shall ~~distribute~~ allocate to each county the amount it received the previous year under this subsection.

~~In making the per capita calculations under this subsection, the Secretary shall use the most recent annual population estimates certified by the State Budget Officer.~~

Amounts allocated to a county under this ~~section~~ subsection shall in turn be divided and distributed between the county and the ~~taxing units~~ cities located in the county in proportion to the total amount of ad valorem taxes levied by each during the fiscal year preceding the distribution. For the purposes of this section, the amount of the ad valorem taxes levied by a county or city shall include any ad valorem taxes collected by the county or city in behalf of a special district. For the purpose of computing the distribution for any year with respect to which the property valuation of a public service company is the subject of an appeal and the Department of Revenue is restrained by law from certifying the valuation to the appropriate counties and cities, the Department shall use the latest property valuation of that public service company that has been certified.

The governing body of each county and city shall report to the Secretary of Revenue such information as he may request in order to make the distribution under this ~~section.~~ subsection. If a county or city fails to make a requested report within the time prescribed, the Secretary may disregard that county or city and the other taxing units in the county or city in making the distribution.

Of the funds received by each county and city pursuant to this subsection, the portion that was received because the county or city was collecting taxes for a special district shall be distributed among the

districts in the county or city in accordance with regulations issued by the Local Government Commission. This distribution shall be made as soon as practicable after the city or county receives funds under this subsection.

~~(b)~~ (d) Definitions. As used in this section, the term 'taxing unit' means a unit that levied a property tax or for which another unit collected a property tax for the fiscal year beginning July 1 of the year preceding the date a distribution is made under this section. As used in this section, the term 'city' has the same meaning as in G.S. 153A-1(1).

(e) Population Estimates. In making the per capita calculations under this section, the Secretary shall use the most recent annual population estimates certified by the State Budget Officer.

~~(c)~~ (f) Source of Funds. The Secretary of Revenue shall pay for the distribution required by this section and the cost of making the distribution as follows:

(1) For the distribution made in 1989, the Secretary shall draw an amount equal to the amount distributed and the cost of making the distribution first from the Inventory Tax Reimbursement Fund created in Section 15.1 of the School Facilities Finance Act of 1987, until it is exhausted, and then the remainder of that amount from collections received by the Department under Division I of Article 4 of this Chapter.

(2) For distributions made in subsequent years, the Secretary shall charge the collections received by the Department under Division I of Article 4 of this Chapter with an amount equal to the amount distributed and the cost of making the distribution."

Sec. 12. G.S. 105-285(c) and G.S. 105-289.1 are repealed.

Sec. 13. G.S. 105-282.1(a)(2) reads as rewritten:

"(2) Owners of the special classes of property excluded from taxation under G.S. 105-275(5), (15), (16), (26), ~~or (31),~~ (31), (33), or (34), or exempted under G.S. 105-278.2 are not required to file applications for the exclusion of that property."

Sec. 14. G.S. 105-315(a), as rewritten by Chapter 45 of the 1987 Session Laws, reads as rewritten:

"(a) As of January 1, every person having custody of taxable tangible personal property that has been entrusted to him by another for storage, sale, renting, or any other business purpose shall furnish the appropriate assessor the reports required by ~~subdivisions (a)(1) and~~ subdivision (a)(2), below:

~~(1) For farm products that are owned by the original producer and that were produced in a county of this State other than that in which the products are situated, there shall be furnished to the assessor of the county in which the products were produced a statement showing the name of the producer, a description of the property, the quantity of the property, and the amount of money, if any, advanced against the products by the person having custody of them.~~

(2) For all ~~other~~ tangible personal property, except inventories exempt under G.S. 105-275(33) and (34), there shall be furnished to the assessor of the county in which the property is situated a statement showing the name of the owner of the property, a description of the property, the quantity of the property, and the amount of money, if any, advanced against the property by the person having custody of it.

(3) For purposes of illustration, but not by way of limitation, the term 'person having custody of taxable tangible personal property' as used in this subsection (a) shall include warehouses, cooperative growers' and marketing associations, consignees, factors, commission merchants, and brokers."

Sec. 15. G.S. 105-317.1(b) reads as rewritten:

"(b) In determining the true value of ~~inventories and other goods and materials~~ taxable tangible personal property held and used in connection with the mercantile, manufacturing, producing, processing, or other business enterprise of any taxpayer, the persons making the appraisal shall consider ~~the valuation of such property~~ any information as reflected by the taxpayer's records and as reported by the taxpayer to the North Carolina Department of Revenue and to the Internal Revenue Service for income tax purposes, taking into account the accuracy of the taxpayer's records, the taxpayer's method of accounting, and the level of trade at which the taxpayer does business."

Sec. 16. G.S. 105-320(a)(14) is repealed.

Sec. 17. G.S. 105-320(b) reads as rewritten:

"(b) Instead of being shown on the tax receipt, the information required in subdivisions ~~(14), (15),~~ (15) and (16) of subsection (a) may be shown on a separate sheet furnished to the affected taxpayers."

Sec. 18. G.S. 115C-489.2(b)(2), as enacted by Chapter 622 of the 1987 Session Laws, is amended by deleting the phrase "sales tax" and substituting the word "sales".

Sec. 18.1. G.S. 115C-546.2(b), as enacted by Chapter 622 of the 1987 Session Laws, is amended by adding after the second paragraph a new paragraph to read:

"In the event a county finds that its public school building needs can be met in a more timely fashion through the allocation of financial resources previously allocated for purposes other than school building needs and not restricted for use in meeting public school building needs, the county commissioners may, with the concurrence of the affected local Board of Education, use those financial resources to meet school building needs and may allocate the funds it receives under this Article for purposes other than school building needs to the extent that financial resources were redirected from such purposes. The concurrence described herein shall be secured in advance of the allocation of the previously unrestricted financial resources and shall be on a form prescribed by the Local Government Commission."

Sec. 18. 2. (a) G.S. 115C-489.2(a), as enacted by Chapter 622 of the 1987 Session Laws, is amended by rewriting the first sentence to read:

"The board of county commissioners and the board of education of a local school administrative unit that is located entirely within one county shall apply jointly for a grant from the Fund to meet a particular critical need in the local school administrative unit; the board of education of a local school administrative unit that is located in more than one county shall apply directly for a grant from the Fund to meet a particular critical need in the local school administrative unit.

(b) G.S. 115C-546.2(b), as enacted by Chapter 622 of the 1987 Session Laws, is amended by adding after the first paragraph a new paragraph to read:

"In the case of a local school administrative unit located in more than one county, the county shall allocate the monies in the Fund between the local school administrative unit located partially in the county and the other unit or units in the county on the basis of average daily membership attributable to the county, as estimated by the Department of Public Instruction."

(c) This section applies only to Nash and Edgecombe Counties and to local school administrative units located in those counties.

Sec. 19. G.S. 115C-489.4(a), as enacted by Chapter 622 of the 1987 Session Laws, reads as rewritten:

"(a) There is created the Commission on School Facility Needs. The Commission shall be located administratively in the Department of Public Education but shall exercise all its prescribed statutory powers independently of the State Board of Education and the Department of

Public Instruction.

The Commission shall consist of five members appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121, one of whom shall be recommended by the President of the Senate to serve as cochairman, and five members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom shall be recommended by the Speaker of the House of Representatives to serve as cochairman.

The initial terms of members shall expire July 1, 1991. Their successors shall serve for four-year terms. A vacancy shall be filled for the remainder of the unexpired term in accordance with G.S. 120-122.

The initial meeting of the Commission shall be called jointly by the cochairmen.

Members of the Commission who are not State officers or employees shall receive per diem and necessary travel and subsistence expenses in accordance with G.S. 138-5. Members who are State officers or employees shall be reimbursed for travel and subsistence in accordance with G.S. 138-6.

The Department of Public Instruction shall provide requested professional and clerical staff to the Commission. The Commission may also employ professional and clerical staff and may hire outside consultants to assist it in its work."

Sec. 19.1. G.S. 115C-546.2(c), as enacted by Chapter 622 of the 1987 Session Laws, is amended by adding at the end the following:

"Funds expended by a county after July 1, 1986, for land acquisition, engineering fees, architectural fees, or other directly related costs for a public school building capital project that was not completed prior to July 1, 1987, may be used to meet the local match requirement."

Sec. 20. G.S. 115C-546.1(b), as enacted by Chapter 622 of the 1987 Session Laws, reads as rewritten:

"(b) Beginning ~~September~~ October 1, 1987, and each month thereafter through ~~June 30,~~ July 31, 1988, the Secretary of Revenue shall deposit with the State Treasurer in the Public School Building Capital Fund one-seventh (1/7) of the corporate income tax net collections received during the previous month by the Department of Revenue under Division I of Article 4 of Chapter 105 of the General Statutes. Beginning July 1, 1988, the Secretary of Revenue shall, on a quarterly basis, deposit with the State Treasurer in the Public School Building Capital Fund an amount equal to two million five hundred thousand dollars ($2,500,000) less than one-fourteenth (1/14) of the

corporate income tax net collections received during the previous quarter by the Department of Revenue under Division I of Article 4 of Chapter 105 of the General Statutes. All funds deposited in the Public School Building Capital Fund shall be invested as provided in G.S. 147-69.2 and G.S. 147-69.3."

Sec. 21. G.S. 115C-546.2(b), as enacted by Chapter 622 of the 1987 Session Laws, reads as rewritten:

"(b) Monies in the Fund shall be used for capital outlay projects including the planning, construction, reconstruction, enlargement, improvement, repair, or renovation of public school buildings and for the purchase of land for public school buildings. As used in this section, 'public school buildings' only includes facilities for individual schools that are used for instructional and related purposes and does not include centralized administration, maintenance, or other facilities.

In the event a county finds that it does not need all or part of the funds allocated to it for capital outlay projects including the planning, construction, reconstruction, enlargement, improvement, repair, or renovation of public school buildings or for the purchase of land for public school buildings, the unneeded funds allocated to that county may be used to retire any indebtedness incurred by the county for public school facilities."

Sec. 22. Section 2 of Chapter 622 of the 1987 Session Laws reads as rewritten:

"Sec. 2. G.S. 105-275 is amended by adding two new subdivisions to read:

'~~(32)~~ (33) Inventories owned by manufacturers.

~~(33)~~ (34) Inventories owned by retail and wholesale merchants.'"

Sec. 23. Section 15.1 of Chapter 622 of the 1987 Session Laws reads as rewritten:

"Sec. 15.1. There is created in the Department of Revenue the Inventory Tax Reimbursement Fund to partially fund the 1989 reimbursement to taxing units under G.S. 105-277A. Notwithstanding any other provision of law, for distributions of local sales and use taxes made on or after ~~August~~ October 1, 1987, and before ~~June 30,~~ March 31, 1988, ~~pursuant to G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws,~~ the Secretary of Revenue shall withhold from ~~each county's share~~ the net proceeds, as defined in G.S. 105-472, to be distributed to the taxing counties pursuant to G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws, an amount equal to three and ~~three-tenths percent (3.3%) of that county's share.~~ one-half percent (3.5%) of such net proceeds. For distributions of local sales and use taxes made on or after April 1, 1988, and before June 30, 1988, the Secretary shall withhold from such net proceeds an amount equal to

twenty million four hundred thousand dollars ($20,400,000) minus the amounts withheld between October 1, 1987, and March 31, 1988, under this section. This amount shall be deducted proportionally from such net proceeds to be distributed pursuant to G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws. The amounts withheld shall be deposited in the Inventory Tax Reimbursement Fund to be distributed in accordance with G.S. 105-277A. Notwithstanding the provisions of G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws, the Secretary of Revenue shall reduce each taxing county's net proceeds to be distributed under those provisions by the amounts withheld therefrom under this section.

In addition, as soon as practicable after November 1, 1988, the Secretary of Revenue shall deposit in the Inventory Tax Reimbursement Fund the sum of seven million one hundred thousand dollars ($7,100,000), which shall be drawn from State sales and use tax collections received by the Department during October of 1988 under Article 5 of Chapter 105 of the General Statutes. These funds shall be distributed in 1989 as provided in G.S. 105-277A."

Sec. 24. Section 17 of Chapter 622 of the 1987 Session Laws reads as rewritten:

"Sec. 17. Sections 2, 3, 4, and 5 of this act are effective for taxable years beginning on or after January 1, 1988. Sections 6 and 7 of this act shall become effective January 1, 1989. Section 8 of this act is effective for taxable years beginning on or after January 1, 1987. Section 9 of this act shall become effective ~~August 1, 1987,~~ January 1, 1988, and applies to amounts withheld from an employee's wages on or after that date. Section 10 of this act shall become effective August 1, 1987, and applies to remittances of sales and use taxes collected on sales made on or after that date. The remainder of this act is effective upon ratification."

Sec. 24.1. G.S. 115C-489.3, as enacted by Chapter 622 of the 1987 Session Laws, is amended by adding a new subsection to read:

"(c) The statewide school facility minimum standards adopted by the State Board of Education pursuant to subsection (b) of this section shall apply to the construction, reconstruction, enlargement, and improvement of all school buildings after the standards are adopted, regardless of the source of the funds for the project."

Sec. 25. This act does not affect the rights or liabilities of the State, a taxpayer, or other person arising under a statute amended or repealed by this act before its amendment or repeal; nor does it affect the right to any refund or credit of a tax that would otherwise have

been available under the amended or repealed statute before its amendment or repeal.

Sec. 26. Sections 1 through 6, 9, 12 through 17, and 22 of this act are effective for taxable years beginning on or after January 1, 1988. Sections 7 and 11 of this act shall become effective January 1, 1989. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

S.B. 685 **CHAPTER 814**

AN ACT TO REFORM THE INSURANCE PREMIUM TAX LAWS.

Whereas, the projection of the Fiscal Research Division indicates that the premium tax structure that exists upon the enactment of this act will not be revenue neutral as compared to the structure in effect prior to the 1986 session of the General Assembly;

Whereas, it is the intention of the General Assembly that any modification of insurance premium taxes be revenue neutral; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-228.8 is rewritten to read:

"§ *105-228.8. Retaliatory premium taxes.*--(a) When the laws of any other state impose, or would impose, any premium taxes, upon North Carolina insurers doing business in the other state that are, on an aggregate basis, in excess of the premium taxes directly imposed upon similar insurers by the statutes of this State, the Commissioner of Insurance shall impose the same premium taxes, on an aggregate basis, upon the insurers chartered in the other state doing business or seeking to do business in North Carolina. Any insurer subject to the retaliatory tax imposed by this section shall report and pay such tax with the annual premium tax return required by G.S. 105-228.5. The retaliatory tax imposed by this section shall be included in the quarterly prepayment rules for premium taxes.

(b) For purposes of this section, the following definitions shall be applied:

(1) 'State' includes the District of Columbia and other states, territories, and possessions of the United States, the provinces of Canada, and other nations.

(2) 'Insurers' includes all entities subject to tax uner G.S. 105-228.5.

(c) For purposes of this section, any premium taxes that are, or would be, imposed upon North Carolina insurers by any city, county, or other political subdivision or agency of another state shall be deemed to be imposed directly by that state.

(d) In computing the premium taxes that another state imposes, or would impose, upon a North Carolina insurer doing business in the state, it shall be assumed that North Carolina insurers pay the highest rates of premium tax that are generally imposed by the other state on similar insurers chartered outside of the state.

(e) This section shall not apply to special purpose obligations or assessments based on premiums imposed in connection with particular kinds of insurance, or to dedicated special purpose taxes based on premiums.

(f) If the laws of another state retaliate against North Carolina insurers on other than an aggregate basis, the Commissioner of Insurance shall retaliate against insurers chartered in such state on the same basis."

Sec. 2. G.S. 105-228.5 is amended as follows:

(1) By rewriting the first paragraph to read:

"Every insurance company and every Chapter 57 corporation shall pay to the Commissioner of Insurance, at the time and rates provided in this section, a tax measured by gross premiums from business done in this State during the preceding calendar year, or, for Chapter 57 corporations, a tax measured by gross collections from membership dues, exclusive of receipts from cost plus plans, received by such corporations during the preceding calendar year."

(2) By rewriting the third paragraph to read:

"An insurer, in computing its premium taxes, shall pay premium taxes on a premium for the purchase of annuities at the time the contract holder elects to commence annuity benefits, instead of at the time the premium is collected.

(3) By inserting in the fourth paragraph the phrase ",457" after the phrase "408".

(4) By adding a new sentence at the end of the seventh paragraph to read:

"Effective July 1, 1988, the tax rate to be applied to gross premiums and/or gross collections from membership dues, exclusive of receipts from cost plus plans, received by Chapter 57 corporations shall be one-half of one percent (1/2 of 1%)."

(5) By rewriting the tenth, eleventh, twelfth, and thirteenth paragraphs to read:

"The taxes levied herein measured by premiums and/or membership dues shall be in lieu of all other taxes upon insurance companies except: fees and licenses under this Article, or as specified in Chapter 58 of the General Statutes of North Carolina as amended; taxes imposed by Chapter 118 of the General Statutes of North Carolina; taxes imposed by Article 5 of Chapter 105 of the General Statutes of North Carolina as amended; and ad valorem taxes upon real property and personal property owned in this State.

For the tax above levied as measured by gross premiums and/or gross collections from membership dues exclusive of receipts from cost plus plans the president, secretary, or other executive officer of each insurance company and Chapter 57 corporation doing business in this State shall within the first 15 days of March file with the Commissioner of Insurance a full and accurate report of the total gross premiums as above defined or the total gross collections from membership dues exclusive of receipts from cost plus plans collected in this State during the preceding calendar year. The report shall be in such form and contain such information as the Commissioner of Insurance may specify, and the report shall be verified by the oath of the company official transmitting the same or by some principal officer at the home or head office of the company or association in this country. At the time of making such report the taxes above levied with respect to the gross premiums or the gross collections from membership dues shall be paid to the Commissioner of Insurance. The provisions above shall likewise apply as to reports and taxes for any firm, corporation, or association exchanging reciprocal or interinsurance contracts, and said reports and taxes shall be transmitted by their attorneys-in-fact.

Insurance companies and Chapter 57 corporations subject to the tax imposed by this section with a premium tax liability of ten thousand dollars ($10,000) or more for business done in North Carolina during the immediately preceding year shall remit three equal quarterly installments with each installment equal to at least twenty-seven and one-half percent (27 1/2%) of the premium tax liability incurred in the immediately preceding taxable year. The quarterly installment payments shall be made on or before April 15, June 15, and October 15 of each taxable year. The company shall remit the balance by the following March 15 in the same manner provided in this section for annual returns. For taxable years beginning on or after January 1, 1989, each of the three quarterly installments shall be equal to at least thirty-three and one-third percent (33 1/3%) and payment of these installments shall be made on or before April 15, June 15, and October 15 of each taxable year. The balance shall be remitted by the

following March 15 in the same manner provided in this section for annual returns.

The Commissioner of Insurance may, by regulation, permit an insurance company to pay less than the required estimated payment when the insurer reasonably believes that the total estimated payments made for the current year will exceed the total anticipated tax liability for the year."

(6) By deleting the eighth paragraph.

(7) By deleting the ninth and fourteenth paragraphs.

(8) By rewriting the sixteenth paragraph to read:

"The provisions as to reports and taxes as measured by gross premiums shall not apply to farmers' mutual assessment fire insurance companies or to fraternal orders or societies that do not operate for a profit and do not issue policies on any person except members."

Sec. 3. G.S. 58-152 is amended by rewriting the first sentence to read:

"When, by the laws of any other state or nation, any fines, penalties, licenses, fees, deposits of money or of securities, or other obligations or prohibitions are imposed upon insurance companies of this State doing business in such other state or nation or upon their agents therein greater than those imposed by this State upon insurance companies of such other state, then, so long as such laws continue in force, the same fines, penalties, licenses, fees, deposits, obligations and prohibitions, of whatever kind, may in the discretion of the Commissioner be imposed upon all such insurance companies of such other state or nation doing business within this State and upon companies of such other state or nation doing business within this State and upon their agents here."

Sec. 4. Section 5.1 of Chapter 1031 of the 1986 Session Laws is amended in the first sentence by deleting "January 1, 1988" and substituting "January 1, 1990".

Sec. 5. G.S. 57-14 is repealed.

Sec. 6. Sections 1 and 3 of this act are effective for taxable years beginning on or after January 1, 1987. Section 2 of this act is effective for taxable years beginning on or after January 1, 1988, except that subdivisions (3) and (6) of Section 2 are effective for taxable years beginning on or after January 1, 1987. Section 4 of this act is effective upon ratification. Section 5 of this act is effective July 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

S.B. 1402 **CHAPTER 815**

AN ACT TO CREATE AN EXCISE TAX ON EGGS FOR PROMOTIONAL PURPOSES AND TO APPROPRIATE FUNDS FOR THE COLLECTION THEREOF.

The General Assembly of North Carolina enacts:

Section 1. Chapter 106 of the General Statutes is amended by adding the following new Article 25B:

"Article 25B.

"Egg Promotion Tax.

"§ *106-245.30 Legislative findings; purpose of Article.*--The General Assembly finds and declares that eggs are important to the prosperity of this State and are a major source of income to a large segment of the State's population. Additional research, education, publicity, advertising and other means of promoting the sale and use of eggs are required to enhance the economical production and marketing of eggs and will be beneficial to the State as a whole.

"§ *106-245.31. Definitions.*--As used in this Article:

(1) 'Board' means the North Carolina Board of Agriculture.

(2) 'Commissioner' means the Commissioner of Agriculture.

(3) 'Department' means the North Carolina Department of Agriculture.

"§ *106-245.32. Levy of tax; rules and regulations.*--There is hereby levied on each 30-dozen case of eggs sold for use in North Carolina an excise tax of five cents (5¢) per case; provided, however, such tax shall be levied only once. 'Use' means consumption by the consumer. The Board may promulgate rules and regulations as are necessary for the interpretation, administration and enforcement of this tax.

"§ *106-245.33. Handler to remit tax to Department of Agriculture; report and payment of tax by handler; definition and functions of handler.*--(a) For the purpose of carrying out the provisions of this Article, the handler of eggs on which a tax has been levied in accordance with the provisions of this Article shall remit such tax or assessment to the Department in the manner and at the time hereinafter provided. Reports to the Department shall be on forms prescribed and furnished by the Commissioner and shall be a statement of gross volume of eggs subject to the tax which have been packed, processed or handled by the handler in the previous month and shall be filed with the Department by the 20th day of each month. The tax levied on eggs shall be due and payable by the handler on the

same day that the report is due. Such tax shall be paid to the Department and shall be deposited with the State Treasurer to the credit of the North Carolina Egg Fund.

(b) The term 'handler' means any person who operates a grading station in North Carolina, a packer, huckster or distributor who handles eggs in North Carolina or a farmer who packs, processes or otherwise performs the functions of a handler in North Carolina. The term 'handler' includes any person in North Carolina who purchases eggs for sale or distribution or any farmer in North Carolina who sells or distributes eggs to anyone other than a registered handler.

For purposes of this Article, the functions of a handler of eggs include the sale, distribution or other disposition of eggs in North Carolina regardless of where the eggs were produced or purchased.

The term 'registered handler' means any person who has registered with the Department to receive monthly return forms for reporting the tax levied herein.

Every person, whether inside or outside the State, who engages in business in North Carolina as a handler is required to register and to collect and pay the tax on all eggs sold or delivered for storage, use or consumption in this State. Such handlers shall maintain a certificate of registration, file returns and perform all other duties required of handlers.

"§ *106-245.34. Exemptions.*--The eggs of any person selling less than 500 cases per year shall be exempt from the tax levied by this Article. The Board shall establish a procedure for returning taxes paid by exempt persons.

"§ *106-245.35. Records to be kept by handler.*--The handler shall keep a complete record of the eggs subject to the provisions of this Article which have been packed, processed or handled by him and shall preserve such records for a period of not less than two years from the time such eggs were packed, processed or handled. Such records shall be open for inspection by the Commissioner or his duly authorized agents and shall be established and maintained as required by the Commissioner.

"§ *106-245.36. Interest on tax; collection of delinquent tax.*--The tax imposed under the provisions of this Article and unpaid on the date on which the tax was due and payable shall bear interest at the rate determined in accordance with G.S. 105-241.1(i) from and after such due date until paid. If any person defaults in any payment of the tax or interest thereon, the amount shall be collected by a civil action in the name of the State and the person adjudged in default shall pay the cost of such action. The Attorney General, at the request of the

Commissioner, shall institute such action in the proper court for the collection of the amount of any tax past due under this Article including interest thereon.

"§ *106-245.37. North Carolina Egg Fund.*--All moneys levied and collected under the provisions of this Article shall be deposited with the State Treasurer to a fund to be known as the 'North Carolina Egg Fund'. Moneys in the North Carolina Egg fund are held in trust for the benefit of producers of eggs sold in North Carolina and such moneys shall not be or become part of the General Fund.

"§ *106-245.38. Violations*--(a) It shall be a misdemeanor for any handler knowingly to report falsely to the Department the quantity of eggs handled by him during any period or to falsify the records of the eggs handled by him, or to fail to keep a complete record of the eggs handled by him, or to fail to preserve such records for a period of not less than two years from the time such eggs are handled.

(b) It shall be a violation of the North Carolina Egg Law for a handler to fail to register as required herein, and any eggs transported, sold or offered for sale by such handler shall be subject to the stop-sale and penalty provisions of the North Carolina Egg Law (G.S. 106-245.13 et seq.)."

Sec. 2. The tax provided for herein shall not be levied upon any eggs which are assessed under the Agricultural Marketing Agreement Act of 1937 (7 USC 601 et seq.).

Sec. 3. After the effective date of this act no egg assessment shall be collected under Article 50 of Chapter 106 of the General Statutes.

Sec. 4. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1717 **CHAPTER 816**

AN ACT REQUIRING THE WILDLIFE RESOURCES COMMISSION TO REPORT TO THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS PRIOR TO MAKING CERTAIN EXPENDITURES FROM THE WILDLIFE RESOURCES FUND.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-250 reads as rewritten:

"§ *143-250. Wildlife Resources Fund.*--All moneys in the game and fish fund or any similar State fund when this Article becomes effective shall be credited forthwith to a special fund in the office of the State Treasurer, and the State Treasurer shall deposit all such moneys in said special fund, which shall be known as the Wildlife Resources Fund.

All unexpended appropriations made to the Department of Conservation and Development, the Board of Conservation and Development, the Division of Game and Inland Fisheries or to any other State agency for any purpose pertaining to wildlife and wildlife resources shall also be transferred to the Wildlife Resources Fund.

Except as otherwise specifically provided by law, all moneys derived from hunting, fishing, trapping, and related license fees, exclusive of commercial fishing license fees, and all funds thereafter received from whatever sources shall be deposited to the credit of the Wildlife Resources Fund and made available to the Commission until expended subject to the provisions of this Article. The Wildlife Resources Fund herein created shall be subject to the provisions of the Executive Budget Act, Chapter 143, Article 1 of the General Statutes of North Carolina as amended, and the provisions of the General Statutes of North Carolina as amended, and the provisions of the Personnel Act, Chapter 143, Article 2 of the General Statutes of North Carolina as amended.

All moneys credited to the Wildlife Resources Fund shall be made available to carry out the intent and purposes of this Article in accordance with plans approved by the North Carolina Wildlife Resources Commission, and all such funds are hereby appropriated, reserved, set aside and made available until expended, for the enforcement and administration of this Article, Chapter 75A, Article 1, and Chapter 113, Subchapter IV of the General Statutes of North Carolina. The Wildlife Resources Commission shall report to the Joint Legislative Commission on Governmental Operations before expending from the Wildlife Resources Fund more than the amount authorized in the budget enacted by the General Assembly for the fiscal period.

In the event any uncertainty should arise as to the funds to be turned over to the North Carolina Wildlife Resources Commission the Governor shall have full power and authority to determine the matter and his recommendation shall be final and binding to all parties concerned."

Sec. 2. This act shall become effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1262 **CHAPTER 817**

AN ACT TO MAKE TECHNICAL AND CLARIFYING CHANGES TO THE CLEAN DETERGENT ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-214.4(c)(6), as enacted by Chapter 111, Session Laws of 1987, reads as rewritten:

"(6) by a commercial laundry or textile rental service company or any other commercial entity: (i) to provide laundry service to hospitals, clinics, nursing homes, other health care facilities, or veterinary hospitals or clinics ~~or~~; (ii) to clean textile products ~~owned by a commercial laundry or textile rental service company and supplied to~~ supplied to industrial or commercial users of the products on a rental basis; or (iii) to clean professional, industrial or commercial work uniforms;".

Sec. 2. The provisions of this act shall become effective January 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

S.B. 668 **CHAPTER 818**

AN ACT TO PROVIDE FOR EFFECTIVE MEASURES TO COMBAT THE OPERATION OF AIRCRAFT WHILE IMPAIRED AND TO COMBAT TAMPERING WITH AIRCRAFT OR AIRPORT FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 63-27 is rewritten to read:

"§ *63-27. Operation of aircraft while impaired.*--(a) Offense. A person commits the offense of operation of an aircraft while impaired if he operates an aircraft, whether on the ground or in the air or on water, within this State:

(1) While under the influence of an impairing substance; or

(2) After having consumed sufficient alcohol that he has, at any relevant time after the operating of an aircraft, an alcohol concentration of 0.04 or more.

The relevant definitions contained in G.S. 20-4.01 shall apply to this section.

(b) Defense precluded. The fact that a person charged with violating this section is or has been legally entitled to use alcohol or a drug is not a defense to a charge under this section.

(c) Pleading. In any prosecution for operating an aircraft while impaired, the pleading is sufficient if it states the time and place of the alleged offense in the usual form and charges that the defendant operated the aircraft within this State while subject to an impairing substance.

(d) Chemical Analysis. Any person who operates an airplane or other aircraft, whether on the ground or in the air or on the water within the territorial limits of this State gives consent to chemical analysis if he is charged with the offense of operating an aircraft while impaired. The charging officer must designate the type of chemical analysis to be administered, and it may be administered when he has reasonable grounds to believe that the person charged has committed the specified crime. The chemical analysis shall be performed pursuant to the procedures established under Chapter 20 of the General Statutes applying to motor vehicle violations with the exception that if the person charged refuses to be tested, the charging officer shall, in writing, notify the local office of the Federal Aviation Administration of the individual's refusal. The results of any chemical tests administered pursuant to this section will be admissible into evidence at trial on the offense charged and a written report of the test results shall be made available to the local office of the Federal Aviation Administration.

(e) Punishment. A person violating this section shall be guilty of a misdemeanor and shall be punished by imprisonment of not more than two years or a fine not to exceed one thousand dollars ($1,000) or both. Provided, however, for a second and all subsequent convictions of this section, a person shall be guilty of a Class J felony."

Sec. 2. G.S. 63-28 is rewritten to read:

"§ *63-28. Infliction of serious bodily injury by operation of an aircraft while impaired.*--(a) Offense. A person commits the offense of infliction of serious bodily injury by operation of an aircraft while impaired if, while in violation of G.S. 63-27, he does serious bodily injury to another.

(b) Defense precluded. The fact that a person charged with violating this section is or has been legally entitled to use alcohol or a drug is not a defense to a charge under this section.

(c) Pleading. In any prosecution for infliction of serious bodily injury by operation of an aircraft while impaired, the pleading is sufficient if it states the time and place of the alleged offense in the usual form and charges that the defendant did serious bodily injury to another while operating an aircraft within this State while subject to an impairing substance.

(d) Punishment. Violation of this section is a Class H felony."

Sec. 3. G.S. 63-26 is rewritten to read:

"§ *63-26. Tampering with aircraft made crime.*--Any person who shall, without the consent of the owner, go upon or enter, tamper with or in any way damage or injure any airplane or other aircraft, or any personal property under the control of or being used by any public or private airport or aircraft landing facility shall be guilty of a misdemeanor and shall be punished by the imposition of a fine not to exceed five thousand dollars ($5,000) or imprisonment of not more than two years, or both, and the showing of willful or malicious intent shall not be necessary to sustain a conviction hereunder."

Sec. 4. A new section is added to Chapter 63 of the General Statutes to read:

"§ *63-26.1. Trespass upon airport property made a crime.*--(a) It shall be unlawful for any person to trespass upon airport property. For purposes of this section 'airport property' means property that is under the control of or is being used by any public or private airport or aircraft landing facility.

(b) A person commits the offense of trespass upon airport property if, without authorization, he enters or remains on airport property that is so enclosed or posted or secured as to demonstrate clearly an intent to keep out intruders. Violation of this section is a misdemeanor and upon conviction a person shall be punished by imprisonment for up to six months, a fine of up to two thousand five hundred dollars ($2,500), or both."

Sec. 5. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 57 **CHAPTER 819**

AN ACT TO CREATE THE NORTH CAROLINA CRIME VICTIMS COMPENSATION FUND AND TO CLARIFY THE NORTH CAROLINA CRIME VICTIMS COMPENSATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 15B-2 is amended by adding a new subsection to read:

"(12a) 'Substantial evidence' means relevant evidence that a reasonable mind might accept as adequate to support a conclusion."

Sec. 2. G.S. 15B-2(1) is rewritten to read:

"(1) 'Allowable expense' means reasonable charges incurred for reasonably needed products, services, and accommodations, including those for medical care, rehabilitation, medically related property, and

other remedial treatment and care.

Allowable expense includes a total charge not in excess of two thousand dollars ($2,000) for expenses related to funeral, cremation, and burial, including transportation of a body, but excluding expenses for flowers, gravestone, and other items not directly related to the funeral service."

Sec. 3. G.S. 15B-2(4) is amended by deleting the word "Victim's" and substituting the word "Victims".

Sec. 4. G.S. 15B-2(5) is amended by rewriting the last sentence to read:

"Criminally injurious conduct does not include conduct arising out of the ownership, maintenance, or use of a motor vehicle when the conduct is punishable only as a violation of Chapter 20 of the General Statutes."

Sec. 5. G.S. 15B-2(8) is amended by adding the following sentence at the end: "Dependent's replacement service loss will be limited to a 26-week period commencing from the date of the injury and compensation shall not exceed two hundred dollars ($200.00) per week."

Sec. 6. G.S. 15B-2(9) is rewritten to read:

"(9) 'Director' means the Director of the Commission appointed under G.S. 15B-3(g)."

Sec. 7. G.S. 15B-2(12) is amended by adding the following at the end: "Replacement service loss will be limited to a 26-week period commencing from the date of the injury, and compensation may not exceed two hundred dollars ($200.00) per week."

Sec. 8. G.S. 15B-2(14) is amended by adding the following at the end: "Compensation for work loss will be limited to 26 weeks commencing from the date of the injury, and compensation may not exceed two hundred dollars ($200.00) per week. A claim for work loss will be paid only upon proof that the injured person was gainfully employed at the time of the criminally injurious conduct and, by physician's certificate, that the injured person was unable to work."

Sec. 9. G.S. 15B-3(a) is rewritten to read:

"(a) There is established the Crime Victims Compensation Commission of the Department of Crime Control and Public Safety, consisting of five members as follows:

(1) One member to be appointed by the Governor;

(2) One member to be appointed by the General Assembly upon the recommendation of the President of the Senate under G.S. 120-121;

(3) One member to be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives under G.S. 120-121;
(4) The Attorney General or his designee; and
(5) The Secretary of the Department of Crime Control and Public Safety or his designee."

Sec. 10. G.S. 15B-3 is amended by adding a new subsection at the end to read:

"(g) The Commission shall name a Director upon the recommendation of the Secretary of Crime Control and Public Safety. The Director shall serve at the pleasure of the Commission. The Department of Crime Control and Public Safety shall provide for the compensation of the Director and shall provide professional and clerical staff necessary for the work of the Commission."

Sec. 11. G.S. 15B-4 is rewritten to read:

"§ 15B-4. *Award of compensation.*-- Subject to the limitations in G.S. 15B-22, compensation for criminally injurious conduct shall be awarded to a claimant if substantial evidence establishes that the requirements for an award have been met."

Sec. 12. G.S. 15B-6 is rewritten to read:

"§ *15B-6. Powers of the Commission.*--In addition to powers authorized by this Chapter and Chapter 150B, the Commission may:

(1) Adopt rules in accordance with Part 3, Article 1 of Chapter 143B and Article 2 of Chapter 150B of the General Statutes necessary to carry out the purposes of this Chapter;
(2) Establish general policies and guidelines for awarding compensation and provide guidance to the staff assigned by the Secretary of the Department of Crime Control and Public Safety to administer the program;
(3) Accept for any lawful purpose and functions under this Chapter any and all donations, both real and personal, and grants of money from any governmental unit or public agency, or from any institution, person, firm, or corporation, and may deposit the same to the Crime Victims Compensation Fund."

Sec. 13. G.S. 15B-7 is amended as follows:

(1) by deleting the phrase "filing fee;" from the catch line;

(2) by deleting the second sentence of subsection (a); and

(3) by deleting the word "Commission" in the first sentence of subsection (a) and substituting the word "Director".

Sec. 14. G.S. 15B-8 is amended as follows:

(1) by deleting the language "; indigent applicants" from the catch line;

(2) by deleting subsection (b); and

(3) by rewriting subsection (a) to read:

"(a) The Director shall establish procedures for screening, filing, recording, investigating, and processing applications for an award of compensation. The Director shall also establish the procedures and methods for processing follow-up claims for compensation. The procedures and methods established by the Director under this subsection shall conform to any rules adopted by the Commission."

Sec. 15. G.S. 15B-9 is repealed.

Sec. 16. G.S. 15B-10 is rewritten to read:

"§ *15B-10. Awarding claims.*--(a) The Director shall decide the award of compensation for an initial claim or follow-up claim when the claim does not exceed five thousand dollars ($5,000) and does not include future economic loss. The Director shall report all awards under this subsection to the Commission.

(b) The Director shall recommend the award of compensation for an initial claim or follow-up claim when the claim exceeds five thousand dollars ($5,000) or involves future economic loss. The Commission shall decide the award of compensation for a claim based on a review of written evidence submitted to the Commission by the Director.

(c) In reporting a decision under subsection (a) or recommending a decision under subsection (b), the Director shall submit to the Commission documentation to establish the economic loss of the claimant by substantial evidence.

(d) The Director shall send each claimant a written statement of a decision made under subsection (a) or (b) that gives the reasons for the decision. A claimant who is dissatisfied with a decision may commence a contested case under Article 3 of Chapter 150B of the General Statutes."

Sec. 17. G.S. 15B-11(a) is rewritten to read:

"(a) An award of compensation will be denied if:

(1) The claimant fails to file his application for an award within one year after the date of the criminally injurious conduct that caused the injury or death for which he seeks the award;

(2) The economic loss is incurred after one year from the date of the criminally injurious conduct that caused the injury or death for which the victim seeks the award;

(3) The criminally injurious conduct was not reported to a law enforcement officer or agency within 72 hours of its occurrence, and there was no good cause for the delay;

(4) The award would benefit the offender, his accomplice, a spouse of or a person living in the same household with the offender or his accomplice, or a parent, child, brother, or sister of the offender or his accomplice, unless a determination is made that the interests of justice require that an award be approved in a particular case; or

(5) The criminally injurious conduct occurred while the victim was confined in any State, county, or city prison, correctional, youth services, or juvenile facility, or local confinement facility, or half-way house, group home, or similar facility."

Sec. 18. G.S. 15B-11(b) and (c) are rewritten to read:

"(b) A claim may be denied and an award of compensation may be reduced upon finding contributory misconduct by the claimant or a victim through whom he claims.

(c) A claim may be denied, an award of compensation may be reduced, and a claim that has already been decided may be reconsidered upon finding that the claimant or victim has not fully cooperated with appropriate law enforcement agencies with regard to the criminally injurious conduct that is the basis for the award."

Sec. 19. G.S. 15B-11(d) is amended as follows:

(1) by deleting the word "Commission" the first time it appears in the first sentence of the subsection and substituting the word "Director"; and

(2) by rewriting the second sentence of the subsection to read:

"An award that has been approved shall nevertheless be denied or reduced to the extent that the economic loss upon which the claim is based is or will be recouped from a collateral source."

Sec. 20. G.S. 15B-11(g) is rewritten to read:

"(g) Compensation payable to a victim and to all other claimants sustaining economic loss because of injury to, or the death of, that victim may not exceed twenty thousand dollars ($20,000) in the aggregate in addition to allowable funeral, cremation, and burial expenses."

Sec. 21. G.S. 15B-11(h) is amended by deleting the word "Commission's".

Sec. 22. G.S. 15B-12 is amended as follows:

(1) by rewriting the catch line to read: *"Evidence in contested cases."*;

(2) by rewriting subsection (a) to read:

"(a) Except as provided in this section, evidence in a contested case shall be taken in accordance with Article 3 of Chapter 150B of the General Statutes.";

(3) by deleting the word "Commission" each time it appears in subsections (c) through (h) and substituting the words "administrative law judge"; and

(4) by rewriting subsection (i) to read:

"(i) Except for information held confidential by the administrative law judge, the official record in a contested case under this Chapter is open to public inspection."

Sec. 23. G.S. 15B-13 is repealed.

Sec. 24. G.S. 15B-14 is amended as follows:

(1) by deleting in subsection (a) the words "The Commission may approve an award of compensation" and substituting the words "An award of compensation may be approved";

(2) by rewriting subsection (b) to read:

"(b) Upon a request of the Attorney General, the proceedings in a claim for an award of compensation may be suspended pending disposition of a criminal prosecution that has been commenced or is imminent."; and

(3) by adding a new subsection to read:

"(c) In making an award, any specific statement of loss to a victim that a trial court has included in its judgment in the case may be considered."

Sec. 25. G.S. 15B-15 is rewritten to read:

"§ *15B-15. Clerks of court to be notified.*--The Director shall notify in writing the clerk of superior court of the county in which the offense occurred of any award made from the Crime Victims Compensation Fund to the victim. The clerk shall place the notice in the case file of any defendant charged with the offense that gave rise to the award to the victim."

Sec. 26. G.S. 15B-16 is amended as follows:

(1) by rewriting subsection (a) to read:

"(a) The Director shall pay award payments directly to the service provider on behalf of the claimant. Eligible out-of-pocket costs borne by the claimant shall be paid directly to the victim only if such costs can be documented and verified."; and

(2) by rewriting subsections (b) and (c) to read:

"(b) Upon request of the claimant, future economic loss, other than allowable expense, may be commuted to a lump sum only on a finding that:

(1) The award in a lump sum will promote the interests of the claimant; or

(2) The present value of all future economic loss other than allowable expense does not exceed one thousand dollars ($1,000).

(c) An award for future economic loss payable in installments may be made only for a period as to which future economic loss can reasonably be determined. An award for future economic loss payable in installments may be reconsidered and modified upon a finding that a material and substantial change of circumstances has occurred."

Sec. 27. G.S. 15B-18 is amended as follows:

(1) by deleting from subsections (a), (b), and (e) the word "State" and substituting the term "Crime Victims Compensation Fund" and

(2) by deleting from subdivision (c)(3) the term "by the Commission" and substituting the term "from the Crime Victims Compensation Fund".

Sec. 28. G.S. 15B-20 is rewritten to read:

"§ *15B-20. Publicity.*--Law enforcement agencies responsible for investigating offenses committed in the State may provide information to victims of those offenses and to their dependents concerning the existence of the Crime Victims Compensation Fund and the source of applications for compensation from the Fund."

Sec. 29. G.S. 15B-21 is amended by rewriting the second sentence to read: "The report shall include the number of claims filed, the number of awards made, the amount of each award, a statistical summary of claims denied and awards made, and the administrative costs of the Commission, including the compensation of commissioners."

Sec. 30. Chapter 15B of the North Carolina General Statutes is amended by adding a new section 15B-23 to read:

"§ *15B-23. Crime Victims Compensation Fund.*--There is established the Crime Victims Compensation Fund. Any surplus in the Crime Victims Compensation Fund shall not revert. The Crime Victims Compensation Fund shall be kept on deposit with the State Treasurer, as in the case of other State funds, and may be invested by the State Treasurer in any lawful security for the investment of State money. The Crime Victims Compensation Fund is subject to the oversight of the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes."

Sec. 31. G.S. 15B-22 is rewritten to read:

"§ *15B-22. Disbursements.*--If compensation awarded under this Chapter cannot be paid due to insufficient funds in the Crime Victims Compensation Fund, payment shall be delayed until sufficient funds are available and no further awards of compensation shall be made until sufficient funds are available."

Sec. 32. G.S. 15A-1343(d) is amended as follows:

(1) by rewriting the seventh sentence to read:

"As used herein 'aggrieved party' includes individuals, firms, corporations, associations, other organizations, and government agencies, whether federal, State or local, including the Crime Victims Compensation Fund established by G.S. 15B-23."; and

(2) by rewriting the last sentence to read:

"Restitution or reparation measures are ancillary remedies to promote rehabilitation of criminal offenders, to provide for compensation to victims of crime, and to reimburse the Crime Victims Compensation Fund established by G.S. 15B-23, and shall not be construed to be a fine or other punishment as provided for in the Constitution and laws of this State."

Sec. 33. Chapter 15B of the General Statutes is amended by adding a new section to read:

"§ *15B-24. Requiring defendant to pay restitution encouraged.*-- Pursuant to a Court's power to require restitution as a condition of probation, parole or work-release privileges, a Court may require a defendant to pay restitution to a victim, regardless of whether the victim receives compensation from the Crime Victims Compensation Fund, or to the Fund. It is the intent of the General Assembly that a victim's receipt of compensation from the Fund shall not discourage a Court from considering, where appropriate, payment of restitution by the defendant and alternatives to incarceration of the defendant."

Sec. 34. The provisions of this act are severable. If a provision of this act is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions of the act that can be given effect without the invalid provision.

Sec. 35. Notwithstanding G.S. 150B-13, the Crime Victims Compensation Commission may, until six months from the effective date of this act, adopt temporary rules to carry out the purposes of Chapter 15B of the General Statutes without prior notice or hearing or upon any abbreviated notice or hearing the Commission finds practicable. The Commission shall begin normal rule-making procedures on permanent rules in accordance with Article 2 of Chapter 150B at the same time it adopts a temporary rule. Temporary rules adopted under this section shall be published by the Director of the Office of Administrative Hearings in the North Carolina Register and shall be effective for a period of not longer than 180 days.

Sec. 36. G.S. 15B-25. Compensation limits. - This act shall not be construed to create a right to receive compensation. Compensation payable under Chapter 15B shall only be available to the extent that the General Assembly appropriates funds for that purpose.

Sec. 37. This act is effective upon ratification. Victims of offenses occurring on or after that date may be eligible to receive awards under the act only if the 1987 General Assembly appropriates money for the Crime Victims Compensation Fund.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 124 **CHAPTER 820**

AN ACT TO PROHIBIT WEAPONS IN COURTHOUSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-269.4 reads as rewritten:

"§ *14-269.4. Weapons on State property and in courthouses.*--It shall be unlawful for any person to possess, or carry, whether openly or concealed, any deadly weapon, not used solely for instructional or officially sanctioned ceremonial purposes in the State Capitol Building, the Executive Mansion, the Western Residence of the Governor, or on the grounds of any of these buildings, and in any building housing any court of the General Court of Justice. If a court is housed in a building containing nonpublic uses in addition to the court, then this prohibition shall apply only to that portion of the building used for court purposes while the building is being used for court purposes.

This section shall not apply to:

(1) Officers and enlisted personnel of the armed forces when in the discharge of their official duties as such and acting under orders requiring them to carry arms and weapons,

(2) Civil officers of the United States while in the discharge of their official duties,

(3) Officers and soldiers of the militia and the State guard when on duty or called into service,

(4) Officers or employees of the State, or any county, city, or town charged with the execution of the laws of the State, when acting in the discharge of their official duties if authorized by law to carry weapons,

(4a) Any person in a building housing a court of the General Court of Justice in possession of a weapon for evidenciary purposes, to deliver it to a law enforcement agency, or for purposes of registration,

(5) State-owned rest areas, rest stops along the highways, and State-owned hunting and fishing reservations.

Any person violating the provisions of this section shall be guilty of a misdemeanor and upon conviction shall be punished in the discretion of the court by fine or imprisonment or by both such fine and imprisonment."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 545 **CHAPTER 821**

AN ACT TO REVISE THE PURCHASE OF CREDITABLE SERVICE IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM FOR LEAVES OF ABSENCE WHILE IN RECEIPT OF WORKERS' COMPENSATION BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4(r) is amended by adding a new subdivision (3) to read:

"(3) Leaves of Absence Terminating on and after January 1, 1988. The cost to a member whose employer approved leave of absence, when in receipt of benefits under the North Carolina Workers' Compensation Act, terminates upon or before a return to service on and after January 1, 1988, shall be due and payable to the Annuity Savings Fund within six months from return to service and shall be a lump sum amount equal to the employee percentage rate of contribution in effect at the time of purchase applied to the annual rate of compensation of the member immediately prior to the leave of absence. For members electing to make this payment, the member's employer which granted the leave of absence, or the member's employer upon a return to service, or both, shall make a matching lump sum payment to the Pension Accumulation Fund within six months from return to service equal to the employer percentage rate of contribution in effect at the time of purchase applied to the annual rate of compensation of the member immediately prior to the leave of absence. Such purchases of creditable service are applicable only when members have membership service credits within 30 days prior to the leave of absence and within 12 months following the leave of absence and such membership service is creditable service at the time of purchase. Notwithstanding any other provision of this subdivision, the cost to a member and to a member's employer or former employer or both employers whose amount due is not paid within six months from return to service shall be the amount due plus one percent (1%) per month penalty for each month or fraction thereof that the payment is made after the six-month period."

Sec. 2. G.S. 135-4(r)(2) is amended by deleting the date "July 1, 1983" both places it occurs and substituting the phrase "July 1, 1983, but before January 1, 1988".

Sec. 3. This act is effective January 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 576 **CHAPTER 822**

AN ACT TO RECODIFY AND AMEND PART 18, ARTICLE 3, OF CHAPTER 143B OF THE GENERAL STATUTES CONCERNING THE SICKLE CELL PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143B-191 through G.S. 143B-196 are hereby repealed.

Sec. 2. Article 5, Chapter 130A of the General Statutes is amended by adding a new Part 3 as follows:

"Part 3. Sickle Cell.

"§ *130A-129. Department to establish program.*The Department shall establish and administer a Sickle Cell Program. The Commission shall, after consultation with the Council on Sickle Cell Syndrome, adopt rules for the program that shall include, but not be limited to, programs for education, voluntary testing, counseling, and medical reimbursement services for sickle cell syndrome. 'Sickle cell syndrome' includes sickle cell disease, sickle cell trait, sickle cell thalassemia and variants.

"§ *130A-130. Duties of local health departments.*--Local health departments shall provide sickle cell syndrome testing and counseling at no cost to persons requesting these services. If an individual is found to have any aspect of sickle cell syndrome, the local health department shall inform the individual to that effect. The State Laboratory of Public Health shall, upon request, provide a person's sickle cell screening test results to any local health department or Sickle Cell Program contracting agency which has been requested to provide sickle cell services to that person."

Sec. 3. G.S. 143B-188 through G.S. 143B-190 are rewritten to read:

"§ *143B-188. Council on Sickle Cell Syndrome; appointment; expenses; terms.*--A Council on Sickle Cell Syndrome is created. The Council shall consist of a chairperson and 14 other members appointed by the Governor. Members shall serve without compensation except for reimbursement for travel and expenses in pursuit of Council business. Except as provided in this subsection,

Council members shall serve a term of three years. To achieve a staggered term structure, five members shall be appointed for a term of one year, five members for a term of two years, and five members for a term of three years.

"§ *143B-189. Council membership.*--In making appointments, consideration shall be given to persons representing the following areas:

(1) Members of community agencies interested in sickle cell syndrome;

(2) State and local officials concerned with public health, social services and rehabilitation;

(3) Teachers and members of State and local school boards;

(4) Physicians in medical centers and physicians in community practice who are interested in sickle cell syndrome;

(5) Persons or relatives of persons with sickle cell disease.

"§ *143B-190. Council role.*--The Council shall advise the Department and the Commission for Health Services on the needs of persons with sickle cell syndrome, and shall make recommendations to meet these needs. Such recommendations shall include but not be limited to recommendations for legislative action and for rules regarding the services of the Sickle Cell Program. The Council shall develop procedures to facilitate its operation. All clerical and other services required by the Council shall be furnished by the Department of Human Resources within budget limitations."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 845 **CHAPTER 823**

AN ACT TO AUTHORIZE THE MECKLENBURG COUNTY MANAGER TO NEGOTIATE AN INCREASED COST FOR CONTRACT EXTENSIONS.

The General Assembly of North Carolina enacts:

Section 1. When a contract for apparatus, supplies, materials, or equipment has been let pursuant to G.S. 143-129, the Board of Commissioners may authorize the County Manager to negotiate a one-term extension of the existing contract and may negotiate cost increases for such an extension without further action by the board or governing body. Extension beyond one term must be re-bid as required by G.S. 143-129.

Sec. 2. This act applies to Mecklenburg County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 852 **CHAPTER 824**

AN ACT TO PROVIDE A CONTRIBUTORY DEATH BENEFIT FOR RETIRED MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LEGISLATIVE RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-4.27 is amended by adding a paragraph to the end to read:

"Upon receipt of proof, satisfactory to the Board of Trustees, of the death of a retired member of the Retirement System or Retirement Fund on or after July 1, 1988, there shall be paid a death benefit to the surviving spouse of a deceased retired member, or to the deceased retired member's legal representative if not survived by a spouse; provided the retired member has elected, when first eligible, to make, and has continuously made, in advance of his death required contributions as determined by the Retirement System on a fully contributory basis, through retirement allowance deductions or other methods adopted by the Retirement System, to a group death benefit trust fund administered by the Board of Trustees separate and apart from the Retirement System's Annuity Savings Fund and Pension Accumulation Fund. This death benefit shall be a lump-sum payment in the amount of five thousand dollars ($5,000) upon the completion of twenty-four months of contributions required under this subsection. Should death occur before the completion of twenty-four months of contributions required under this subsection, the deceased retired member's surviving spouse or legal representative if not survived by a spouse shall be paid the sum of the retired member's contributions required by this subsection plus interest to be determined by the Board of Trustees."

Sec. 2. G.S. 128-27 is amended by adding a new subsection (*l*2) to read:

"(*l*2) Death Benefit for Retired Members. Upon receipt of proof, satisfactory to the Board of Trustees in its capacity under this subsection, of the death of a retired member of the Retirement System on or after July 1, 1988, there shall be paid a death benefit to the surviving spouse of the deceased retired member or to the deceased

retired member's legal representative if not survived by a spouse; provided the retired member has elected, when first eligible, to make, and has continuously made, in advance of his death required contributions as determined by the Board of Trustees on a fully contributory basis through retirement allowance deductions or other methods adopted by the Board of Trustees, to a group death benefit trust fund administered by the Board of Trustees separate and apart from the Retirement System's Annuity Savings Fund and Pension Accumulation Fund. This death benefit shall be a lump-sum payment in the amount of five thousand dollars ($5,000) upon the completion of twenty-four months of contributions required under this subsection. Should death occur before the completion of twenty-four months of contributions required under this subsection, the deceased retired member's surviving spouse or legal representative if not survived by a spouse shall be paid the sum of the retired member's contributions required by this subsection plus interest to be determined by the Board of Trustees."

Sec. 3. G.S. 135-5(l) is amended by adding a paragraph to read:

"Upon receipt of proof, satisfactory to the Board of Trustees in its capacity under this subsection, of the death of a retired member of the Retirement System on or after July 1, 1988, there shall be paid a death benefit to the surviving spouse of the
deceased retired member or to the deceased retired member's legal representative if not survived by a spouse; provided the retired member has elected, when first eligible, to make, and has continuously made, in advance of his death required contributions as determined by the Board of Trustees on a fully contributory basis, through retirement allowance deductions or other methods adopted by the Board of Trustees, to a group death benefit trust fund administered by the Board of Trustees separate and apart from the Retirement System's Annuity Savings Fund and Pension Accumulation Fund. This death benefit shall be a lump-sum payment in the amount of five thousand dollars ($5,000) upon the completion of twenty-four months of contributions required under this subsection. Should death occur before the completion of twenty-four months of contributions required under this subsection, the deceased retired member's surviving spouse or legal representative if not survived by a spouse shall be paid the sum of the retired member's contributions required by this subsection plus interest to be determined by the Board of Trustees."

Sec. 4. G.S. 135-64 is amended by adding a new subsection (g) to read:

"(g) Upon the death of a retired member on or after July 1, 1988, there shall be paid a death benefit to the surviving spouse of a deceased retired member or to the deceased retired member's legal representative if not survived by a spouse; provided the retired member has elected, when first eligible, to make, and has continuously made, in advance of his death required contributions as determined by the Board of Trustees on a fully contributory basis, through retirement allowance deductions or other methods adopted by the Board of Trustees, to a group death benefit trust fund administered by the Board of Trustees separate and apart from the Retirement System's Annuity Savings Fund and Pension Accumulation Fund. This death benefit shall be a lump-sum payment in the amount of five thousand dollars ($5,000) upon the completion of twenty-four months of contributions required under this subsection. Should death occur before the completion of twenty-four months of contributions required under this subsection, the deceased retired member's surviving spouse or legal representative if not survived by a spouse shall be paid the sum of the retired member's contributions required by this subsection plus interest to be determined by the Board of Trustees."

Sec. 5. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1018 **CHAPTER 825**

AN ACT TO ALLOW A RETIRING MEMBER OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM TO RECEIVE SERVICE CREDIT FOR UP TO 12 DAYS OF UNUSED ACCUMULATED SICK LEAVE PER YEAR OF MEMBERSHIP SERVICE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4(e) reads as rewritten:

"(e) Creditable service at retirement on which the retirement allowance of a member shall be based shall consist of the membership service rendered by him since he last became a member, and also if he has a prior service certificate which is in full force and effect, the amount of service certified on his prior service certificate; and if he has sick leave standing to his credit upon retirement on or after July 1, 1971, one month of credit for each 20 days or portion thereof not to exceed ~~one month of credit for each two years of membership service or fraction thereof~~ 12 days of credit for each year of membership service or fraction thereof, but sick leave shall not be counted in computing creditable service for the purpose of determining

eligibility for early retirement, disability retirement or for a vested deferred allowance.

On and after July 1, 1971, a member whose account was closed on account of absence from service under the provisions of G.S. 135-3(3) and who subsequently returns to service for a period of five years, may thereafter repay in a lump sum the amount withdrawn plus regular interest thereon from the date of withdrawal through the year of repayment and thereby increase his creditable service by the amount of creditable service lost when his account was closed.

On and after July 1, 1973, a member whose account in the North Carolina Local Governmental Employees' Retirement System was closed on account of absence from service under the provisions of G.S. 128-24(1a) and who subsequently became or becomes a member of this System with credit for five years of service, may thereafter repay in a lump sum the amount withdrawn from the North Carolina Local Governmental Employees' Retirement System plus regular interest thereon from the date of withdrawal through the year of repayment and thereby increase his creditable service in this System by the amount of creditable service lost when his account was closed.

On or after July 1, 1979, a member who has obtained 60 months of aggregate service, or five years of membership service, as an employee of the North Carolina General Assembly, except legislators, participants in the Legislative Intern Program and pages, may make a lump sum payment together with interest, and an administrative fee for such service, to the Teachers' and State Employees' Retirement System of an amount equal to what he would have contributed had he been a member on his first day of employment.

On and after January 1, 1985, the creditable service of a member who was a member of the Law-Enforcement Officers' Retirement System at the time of the transfer of law-enforcement officers employed by the State from that System to this Retirement System and whose accumulated contributions are transferred from that System to this Retirement System, shall include service that was creditable in the Law-Enforcement Officers' Retirement System; and membership service with that System shall be membership service with this Retirement System; provided, notwithstanding any provision of this Article to the contrary, any inchoate or accrued rights of such a member to purchase creditable service for military service, withdrawn service and prior service under the rules and regulations of the Law-Enforcement Officers' Retirement System shall not be diminished and may be purchased as creditable service with this Retirement System under the same conditions which would have otherwise applied."

Sec. 2. This act shall become effective October 1, 1987, and applies to retirements on and after that date.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1022 **CHAPTER 826**

AN ACT TO AMEND CHAPTER 58 RELATING TO CREDIT INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-341 is amended:

(a) in the first sentence of the first paragraph by inserting immediately after "G.S. 25A-33" the following: ", leases,"; and

(b) by rewriting the second paragraph to read:

"This Article may be cited as 'The North Carolina Act for the Regulation of Credit Life, Credit Accident and Health, and Credit Property Insurance.'"

Sec. 2. G.S. 58-342 is amended by rewriting subsection (5) to read:

"(5) 'Creditor' means any lender of money or vendor or lessor of goods, services, property, rights or privileges, including any person that directly or indirectly provides credit in connection with any such sale or lease, for which payment is arranged through a credit-related transaction; or any successor to the right, title or interest of any such lender, vendor, lessor, or person extending credit, and an affiliate, associate, or subsidiary of any of them, or any director, officer, or employee of any of them or any other person in any way associated with any of them;".

Sec. 3. G.S. 58-342 is amended by changing the period at the end of subsection (8) to a semicolon and by adding a new subsection (9) to read:

"(9) 'Lease' means a contract whereby the lessee of a 'motor vehicle,' as defined in G.S. 20-4.01(23), contracts to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the property, but not exceeding the term of years in G.S. 58-341."

Sec. 4. G.S. 58-349(c) is amended by substituting "seventy cents (70¢)" for "eighty cents (80¢)"; and G.S. 58-349(e) is amended by substituting "one dollar and thirty cents ($1.30)" for "one dollar and fifty cents ($1.50)".

Sec. 5. G.S. 58-349 is amended by adding a new subsection to read:

"(h) In addition to the premium rate authorized, a charge may also be made for a nonrefundable origination fee per credit life insurance transaction as set forth below:

Insured Indebtedness	Fee Permitted
less than $250.00	none
$250.00 or more but less than $500.00	$1.00
more than $500.00	$2.00

No third or subsequent origination fee may be charged in connection with a third or subsequent refinancing within any twelve-month period."

Sec. 6. G.S. 58-350(d) is rewritten to read:

"(d) If premiums are payable in one sum in advance for the entire duration of the indebtedness, for insurance with a preexisting exclusion as defined above, the following premiums are authorized:

Single Premium Rates per $100.00 of Initial Insured Indebtedness

No. of Months in which Indebtedness is Repayable	Nonretroactive Benefits			Retroactive Benefits	
	14-Day	30-Day	7-Day	14-Day	30-Day
12	1.40	.95	2.60	2.10	1.40
24	1.90	1.40	3.50	2.85	1.90
36	2.40	1.90	4.35	3.65	2.40
48	2.85	2.40	5.25	4.40	2.85
60	3.35	2.85	6.10	5.20	3.35
72	3.85	3.35		5.95	3.85
84	4.30	3.85		6.70	4.30
96	4.80	4.30		7.50	4.80
108	5.25	4.80		8.25	5.25
120	5.75	5.25		9.00	5.75

For terms other than the above, premiums shall be prorated."

Sec. 7. G.S. 58-350 is amended by adding a new subsection to read:

"(g) In addition to the premium rate authorized, a charge may also be made for a nonrefundable origination fee per credit accident and health insurance transaction as set forth below:

Insured Indebtedness	Fee Permitted
less than $250.00	none
$250.00 or more but less than $500.00	$1.00
$500.00 or more	$2.00

No third or subsequent origination fee may be charged in connection with a third or subsequent refinancing within any twelve-month period."

Sec. 8. G.S. 58-354 is rewritten as follows:

"Credit life insurance and credit accident and health insurance may not be required of any borrower by any creditor. When credit property insurance is required for any indebtedness, the debtor shall be notified in writing of the option of furnishing the required amount of insurance through existing policies owned or controlled by him or of procuring and furnishing the required coverage through any insurer authorized to transact an insurance business within this State."

Sec. 9. G.S. 58-359(b), is amended by deleting the first paragraph and inserting the following:

"Premium rates charged shall not exceed eighty-seven cents (87¢) per year per one hundred dollars ($100.00) of insured value for single interest credit property insurance and shall not exceed one dollar and thirty-one cents ($1.31) per year per one hundred dollars ($100.00) of insured value for dual interest credit property insurance. The insured value shall not exceed the lesser of the value of the property or the amount of the initial indebtedness.

In addition to the premium rate authorized, a charge may also be made for a nonrefundable origination fee per credit property insurance transaction as set forth below:

Insured Value	Fee Permitted
less than $250.00	none
$250.00 or more but less than $500.00	$1.00
$500.00 or more	$2.00

No third or subsequent origination fee may be charged in connection with the third or subsequent refinancing within any twelve-month period."

Sec. 10. The first sentence of G.S. 53-189 (a) is rewritten to read:

"Credit life, credit accident and health, and credit property insurance may be written in accordance with the provisions of the North Carolina Act for the Regulation of Credit Life, Credit Accident and Health and Credit Property Insurance, G.S. 58-341 et seq."

Sec. 11. The Title of Subchapter VIII of Chapter 58 of the General Statutes is rewritten to read:

"Subchapter VIII.
"Credit Life, Credit Accident and Health, and
Credit Property Insurance."

Sec. 12. G.S. 58-341 is amended in the first sentence by deleting the number "10" and substituting the number "15".

Sec. 13. G.S. 58-349 is amended by adding a new subsection "(f1)" between existing subsections "(f)" and "(g)" to read:

"(f1) Notwithstanding the premium rates otherwise set forth in this section for credit life insurance, the premium rates for such insurance written in connection with direct loans with contractual commitments of more than 10 years' duration shall be filed with and approved by the Commissioner. Such premium rates shall exhibit a reasonable relationship to the benefits provided."

Sec. 14. G.S. 58-350 is amended by adding a new subsection "(e1)" between existing subsections "(e)" and "(f)" to read:

"(e1) Notwithstanding the premium rates otherwise set forth in this section for credit accident and health insurance, the premium rates for such insurance written in connection with direct loans with contractual commitments of more than 10 years' duration shall be filed with and approved by the Commissioner. Such premium rates shall exhibit a reasonable relationship to the benefits provided."

Sec. 15. This act shall become effective January 1, 1988.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1136 **CHAPTER 827**

AN ACT MAKING CONFORMING AND TECHNICAL AMENDMENTS TO THE GENERAL STATUTES CONCERNING ADMINISTRATIVE PROCEDURE.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by deleting the reference "150A" and substituting the reference "150B" each place it appears.

Sec. 2. G.S. 20-1 is amended by rewriting the last sentence of that section to read:

"Articles 2 and 3 of Chapter 150B of the General Statutes do not apply to rules adopted and actions taken under this Chapter."

Sec. 3. G.S. 20-321(a) is amended in the first sentence by deleting the phrase ", subject to the provisions of Chapter 150A of the General Statutes of North Carolina,".

Sec. 4. G.S. 75A-5 is amended as follows:

(1) by deleting the reference "75A-7(1) in subsection (b) and substituting the reference "75A-7(a)(1)"; and

(2) by rewriting the third sentence in subsection (l) to read:

"A person who is denied the authority to act as an agent for the issuance of certificates of number and validation decals or whose authority to do so is revoked may not commence a contested case under G.S. 150B-23."

Sec. 5. G.S. 75A-15 is amended as follows:

(1) by deleting the words "special regulations" and "regulations" each time they appear and substituting the word "rules";

(2) by deleting the words "Special regulations" and substituting the word "Rules";

(3) by deleting the phrase ", in accordance with applicable provisions of General Statutes Chapter 150A, adopt special regulations for" in the second sentence of subsection (b) and substituting the phrase "adopt rules applicable to"; and

(4) by deleting the phrase "is authorized and empowered to adopt regulations as provided by Chapter 150A, Administrative Procedure Act," in the third sentence of subsection (b) and substituting the phrase "may adopt rules".

Sec. 6. G.S. 113-55.2(a) is amended by rewriting the last sentence of the subsection to read:

"These criteria are exempt from Article 2 of Chapter 150B of the General Statutes but shall be filed in accordance with Article 5 of that Chapter."

Sec. 7. G.S. 113-221 is amended as follows:

(1) by rewriting the catch line to the section to read:

"*Rules; proclamations; emergency Commission meetings.*";

(2) by rewriting subsections (a) through (c) to read:

"(a) Chapter 150B of the General Statutes governs the adoption of rules under this Article, other than proclamations issued under this Article. Chapter 150B does not apply to proclamations issued under this Article.

(b) Upon purchasing a license, each licensee shall be given a copy of the rules concerning the activities authorized by the license.

(c) The Secretary shall notify licensees of a new rule or change to a rule by sending each licensee either a newsletter containing the text of the rule or change or an updated codification of the rules of the Marine Fisheries Commission that contains the new rule or change.";

(3) by deleting the first three sentences of subsection (d);

(4) by deleting the word "paragraph" in subsection (e) and substituting the word "subsection";

(5) by deleting the last sentence of the first paragraph of subsection (e);

(6) by deleting the phrase "Articles 2 and 3 of Chapter 150A" in the first sentence of the second paragraph of subsection (e1) and substituting the phrase "Articles 2 and 5 of Chapter 150B";

(7) by deleting the words "publication procedures of this section" in the last sentence of subsection (f) and substituting the words "required publication procedures"; and

(8) by deleting the word "regulations" or "regulation" each time it appears in the section and substituting the word "rules" or "rule".

Sec. 8. G.S. 113-276.2 is amended as follows:

(1) by rewriting that part of the first sentence of subsection (d) following the word "if" to read:

"he is dissatisfied with the Executive Director's decision he may commence a contested case on the refusal by filing a petition under G.S. 150B-23 within 10 days of receiving the notice.";

(2) by deleting the last three sentences of subsection (d);

(3) by rewriting subsection (e) to read:

"(e) The Executive Director shall revoke a license or permit issued to a person subject to administrative control if he finds that the person does not meet the qualifications for the license or permit, has committed a substantial criminal violation of this Subchapter or a rule adopted under the Subchapter, or has seriously or persistently failed to comply with the terms and conditions upon which the license or permit was issued. Before revoking a license or permit, the Executive Director shall notify the licensee or permittee of his findings and his intention to revoke the license or permit. The notice must be personally served by a law enforcement officer or an agent of the Wildlife Resources Commission or sent by mail with return receipt requested. A licensee or permittee who disagrees with the Executive Director's findings may commence a contested case on the revocation by filing a petition under G.S. 150B-23 within 10 days of receiving the notice. Revocation or suspension of a license or permit by a court under G.S. 113-277 runs concurrently with a revocation under this section.";

(4) by deleting subsection (f); and

(5) by deleting the first sentence of subsection (j).

Sec. 9. G.S. 113-301.1 is amended by deleting subsection (e).

Sec. 10. G.S. 113A-54 is amended as follows:

(1) by deleting the phrase "the rule-making procedures set forth in Article 2 of Chapter 150A" in the first sentence of subsection (b) and substituting the phrase "Chapter 150B";

(2) by deleting subdivisions (1), (2), and (3) and the last paragraph of subsection (b); and

(3) by deleting the first three sentences of subsection (f).

Sec. 11. G.S. 113A-126(d)(3) is amended as follows:

(1) by changing the period at the end of the third sentence to a comma and adding the phrase "and shall be conducted in accordance with Article 3 of Chapter 150B of the General Statutes."; and

(2) by deleting the last four sentences of the subdivision.

Sec. 12. G.S. 53-168(b) is amended in the second sentence by deleting the words "a hearing" and substituting the words "an informal hearing".

Sec. 13. G.S. 53-188 is amended by deleting the last sentence of the section.

Sec. 14. G.S. 53-206 is amended by deleting the last sentence of the section and substituting the following sentences to read:

"The hearing before the Commissioner shall be an informal hearing and shall be held with reasonable promptness. The decision of the Commissioner may be appealed to the Banking Commission."

Sec. 15. G.S. 105A-7(b) is amended by deleting the words "before the claimant agency".

Sec. 16. G.S. 105A-8(a) is amended by rewriting the first two sentences of the subsection to read:

"A hearing on a contested claim, other than a claim of a constituent institution of The University of North Carolina, shall be conducted in accordance with Article 3 of Chapter 150B of the General Statutes. A hearing on a contested claim of a constituent institution of The University of North Carolina shall be conducted in accordance with administrative procedures approved by the Attorney General."

Sec. 17. G.S. 115D-80 is rewritten to read:

"§ *115D-80. Administrative Procedure Act applies.*--As an agency of the State, the State Board of Community Colleges is subject to the Administrative Procedure Act, Chapter 150B of the General Statutes. Local boards of trustees are exempt from Chapter 150B."

Sec. 18. G.S. 116B-38(b) is amended by deleting the second and fourth sentences of the subsection and adding the following sentences at the end of the subsection to read:

"A claimant who is dissatisfied with the determination of the Treasurer may commence a contested case by filing a petition under G.S. 150B-23 within 15 days of receiving notice of the determination."

Sec. 19. G.S. 116B-42 is rewritten to read:

"§ *116B-42. Rules.*--The Treasurer or, with respect to insurers, the Commissioner may adopt rules necessary to carry out this Chapter."

Sec. 20. G.S. 105-241.3 is amended by deleting the reference "150A" and substituting the reference "150B".

Sec. 21. G.S. 105-241.1(h) is rewritten to read:

"(h) The rules of evidence do not apply in a hearing before the Secretary of Revenue under this section. G.S. 105-241.2, 105-241.3, and 105-241.4 apply to a tax or additional tax assessed under this section."

Sec. 22. G.S. 105-266.1(b) is rewritten to read:

"(b) The rules of evidence do not apply in a hearing before the Secretary of Revenue under this section. G.S. 105-241.2, 105-241.3, and 105-241.4 apply to a tax or additional tax assessed under this section."

Sec. 23. G.S. 106-266.8(7) is amended in the third sentence by deleting the phrase "with the Attorney General as required by Chapter 150A" and substituting the phrase "as required by Chapter 150B".

Sec. 24. G.S. 106-266.15 is rewritten to read:

"§ *106-266.15. Judicial review.*--Judicial review of the following may be had under Chapter 150B of the General Statutes:

(1) A rule, order, or regulation adopted by the Commission under this Article.

(2) A decision of the Commission under this Article to deny, suspend, revoke, or refuse to transfer or reissue a license.

(3) An order of the Commission under this Article to fix or amend the price or terms upon which milk may be bought or sold."

Sec. 25. G.S. 106-6.1 is amended by adding the following sentence at the end of the section to read:

"The Board of Agriculture, subject to the provisions of Chapter 146 of the General Statutes, may establish a rate schedule for the use of facilities operated by the Department of Agriculture."

Sec. 26. G.S. 106-65.23 is amended by rewriting the third paragraph of the section to read:

"The Committee shall make final decisions under this Article concerning licenses, certified applicator cards, and identification cards. The Committee shall report annually to the Board of Agriculture the action taken in the Committee's final decisions and the financial status of the Structural Pest Control Division."

Sec. 27. G.S. 106-65.28(a) is amended by deleting the phrase ", after notice and hearing, as provided in G.S. 106-65.32,".

Sec. 28. G.S. 106-65.29 is amended by deleting the last sentence of the section.

Sec. 29. G.S. 106-65.32 is rewritten to read:

"§ *106-65.32. Administrative Procedure Act applicable.*--A denial, suspension, or revocation of a license, certified applicator card, or identification card under this Article shall be made in accordance with Chapter 150B of the General Statutes."

Sec. 30. G.S. 106-139 is amended as follows:

(1) by rewriting subsection (d) to read:

"(d) Hearings authorized or required by G.S. 106-131 or G.S. 106-135 shall be conducted in accordance with Chapter 150B of the General Statutes."; and

(2) by deleting subsection (e).

Sec. 31. G.S. 106-202.16 is amended as follows:

(1) by rewriting the last two sentences of subsection (d) to read:

"If the Board, with the advice of the Scientific Committee, finds that the plant should be added to or removed from a protected plant list the Board shall instigate rule-making procedures to add or remove the plant from the list."; and

(2) by deleting subsections (e) and (f).

Sec. 32. G.S. 106-406 is amended by deleting the third and fourth sentences of the last paragraph of that section and substituting the following sentence to read:

"If the Commissioner denies the application, the applicant may commence a contested case under G.S. 150B-23 by filing a petition within 10 days after receiving notice of the denial."

Sec. 33. G.S. 106-407.2 is amended by rewriting the first paragraph of that section to read:

"The Board of Agriculture may revoke a permit authorizing the operation of a public livestock market for a violation of this Article or a rule adopted under this Article."

Sec. 34. G.S. 106-503 is amended by rewriting the last paragraph of the section to read:

"The Board of Agriculture, subject to the provisions of Chapter 146 of the General Statutes, may establish a schedule of rental rates for fair properties and specifications for the issuance of premiums so as to provide a State fair and other projects."

Sec. 35. G.S. 106-549.21(e) is amended by rewriting the last two sentences of the section to read:

"A person who uses or proposes to use the marking, labeling, or container and who does not accept the determination of the Commissioner may commence a contested case under G.S. 150B-23. If directed by the Commissioner, the marking, labeling, or container may not be used pending a final decision."

Sec. 36. G.S. 106-549.55(d) is amended by rewriting the last two sentences of the subsection to read:

"A person who uses or proposes to use the marking, labeling, or container and who does not accept the determination of the Commissioner may commence a contested case under G.S. 150B-23. If directed by the Commissioner, the marking, labeling, or container may not be used pending a final decision."

Sec. 37. G.S. 106-549.64 is amended as follows:

(1) by deleting the phrase ", after opportunity for a hearing is accorded to the applicant for, or recipient of, such service,";

(2) by rewriting subsection (b) to read:

"(b) Proceedings concerning the refusal or withdrawal of inspection services shall be conducted in accordance with Chapter 150B of the General Statutes. A refusal or withdrawal of inspection services by the Commissioner shall continue in effect pending a final decision in a contested case unless the Commissioner orders otherwise."; and

(3) by deleting subsection (c).

Sec. 38. G.S. 106-611 is rewritten to read:

"*§ 106-611. Procedure for denial, suspension, or revocation of license; effect of revocation.*--(a) A denial, suspension, or revocation of a license under this Article shall be made in accordance with Chapter 150B of the General Statutes.

(b) A license may not be suspended for more than one year. A person whose license is revoked may not obtain another license under this Article until at least two years have elapsed from the date of the final decision revoking the license or, if the decision is appealed, from the date of the final judgment sustaining the revocation."

Sec. 39. G.S. 143-442 is amended as follows:

(1) by deleting the last two sentences of subsection (d) and substituting the following sentence to read:

"The Board may suspend or cancel the registration of a pesticide when the pesticide or its labeling does not comply with this Part."; and

(2) by changing the colon following the word "thereunder" in the first sentence of subsection (e) to a period and deleting the remainder of that sentence.

Sec. 40. G.S. 143-451(a) is amended by rewriting that part of the subsection preceding the word "finds" to read:

"The Board may deny, suspend, modify, or revoke a license issued under this Part if it".

Sec. 41. G.S. 143-447(a) is amended by deleting the first four sentences of the subsection and substituting the following sentence to read:

"The Board may order the summary suspension of the registration of a pesticide if it finds the suspension necessary to prevent an imminent hazard to the public, a nontarget organism, or a segment of the environment."

Sec. 42. G.S. 143-456(a) is amended by rewriting that part of the subsection preceding the word "finds" to read:

"The Board may deny, suspend, modify, or revoke a license issued under this Part if it".

Sec. 43. G.S. 143-458(a) is amended by rewriting that part of the subsection preceding the colon to read:

"The Board may adopt rules prescribing the method to be used in the application of pesticides and the times and places pesticides may be applied. The Board may adopt rules restricting or prohibiting the sale and use of pesticides in designated areas during specified time periods. In adopting rules under this subsection, the Board shall consider factors required to prevent damage or injury to the following by the drift or misapplication of pesticides".

Sec. 44. G.S. 143-461(1) is amended in the first sentence by changing the colon following the word "Article" to a period and deleting the remainder of the sentence.

Sec. 45. G.S.143-463 is rewritten to read:

"§ *143-463. Adoption and publication of rules.*--Chapter 150B of the General Statutes governs the adoption of rules under this Article and the publication of those rules."

Sec. 46. G.S. 143-464 is rewritten to read:

"§ *143-464. Procedures concerning registration of pesticides.*--A denial, suspension, or cancellation of a registration of a pesticide shall be made in accordance with the procedures in Chapter 150B of the General Statutes for denying, suspending, or canceling a license."

Sec. 47. G.S. 115C-244(e) is rewritten to read:

"(e) A decision of a local board under subsection (d) is final and, except as provided in this subsection, is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes. A person seeking judicial review shall file a petition in the superior court of the county where the local board made its decision."

Sec. 48. G.S. 115C-244(c) is amended by rewriting the second sentence of the subsection to read:

"Upon application, the principal shall assign a pupil to a school bus if the pupil is entitled to school bus transportation under this Article and the rules of the State Board of Education."

Sec. 49. G.S. 115C-242(1), 115C-246(a) and (e), 115C-249(a) and (d), and 115C-253 are each amended by deleting the phrase "G.S. 115C-239 to 115C-246, 115C-248 to 115C-249, 115C-250(d), 115C-251 to 115C-254 and 115C-256 to 115C-261" and substituting the words "this Article".

Sec. 50. G.S. 115C-253 is amended by deleting the reference "115C-240(d)" and substituting the reference "115C-240(c)".

Sec. 51. G.S. 115C-370 is rewritten to read:

"§ *115C-370. Judicial review of board's decision.*--A decision of a local board under G.S. 115C-369 is final and, except as provided in this section, is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes. A person seeking judicial review shall file a petition in the superior court of the county where the local board made its decision."

Sec. 52. G.S. 115C-391(e) is rewritten to read:

"(e) A decision of a local board under subsection (c) or (d) is final and, except as provided in this subsection, is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes. A person seeking judicial review shall file a petition in the superior court of the county where the local board made its decision."

Sec. 53. G.S. 115C-574 is amended by rewriting subsections (a) and (b) to read:

"(a) A refusal to issue, refusal to renew, suspension of, or revocation of a license under this section shall be made in accordance with Chapter 150B of the General Statutes.

(b) A decision under this section to refuse to grant, refuse to renew, suspend, or revoke a license is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes."

Sec. 54. G.S. 150B-11 is amended by adding a new subdivision to read:

"(4) Submit a fiscal note in accordance with G.S. 120-30.48 for a proposed rule that affects the expenditures or revenues of a unit of local government. The fiscal note shall be submitted no later than the date when a notice of public hearing on the proposed rule is published in the North Carolina Register. The notice shall state that a fiscal note has been prepared for the proposed rule and may be obtained from the agency. An erroneous fiscal note prepared in good faith does not affect the validity of a rule."

Sec. 55. G.S. 120-30.48(a) is rewritten to read:

"(a) An agency subject to Article 2 of Chapter 150B of the General Statutes shall file a fiscal note for a proposed new rule, or a proposed amendment or repeal of an existing rule, that can affect the expenditures or revenues of a unit of local government. The fiscal note shall be filed with the Fiscal Research Division, the Office of State Budget and Management, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities. The fiscal note shall be filed with the entities listed no later than the date specified in G.S. 150B-11."

Sec. 56. G.S. 126-41 is amended by deleting the phrase "In addition to the grounds set out in G.S. 150A-51, the" in the second sentence and substituting the word "The".

Sec. 57. G.S. 126-78 is amended by inserting a period after the word "program" and deleting the remainder of the section.

Sec. 58. Part 5A of Article 7 of Chapter 143B of the General Statutes, as enacted by Chapter 641 of the 1987 Session Laws, is amended as follows:

(1) by deleting the words "and regulations" or "or regulations" each place they appear, except in G.S. 143B-289.4(1)(g); and

(2) by deleting the word "regulations" or "Regulations" each place it appears, except the first time the word "regulations" appears in G.S. 143B-289.4(1)(g), and substituting the word "rules" or "Rules".

Sec. 59. G.S. 147-45 is amended by adding the Office of Administrative Hearings to the distribution list in that section, with the entry "2" in the column for Session Laws and the entry "0" in the column for Assembly Journals.

Sec. 60. G.S. 8-50.2(d) is amended by changing the comma following the word "instruments" to a period and deleting the remainder of the subsection.

Sec. 61. G.S. 19A-23 is amended as follows:

(1) by deleting the words "and regulations"; and

(2) by deleting the word "human" in subdivision (9) and substituting the word "humane".

Sec. 62. G.S. 19A-24 is rewritten to read:

"§ *19A-24. Powers of Board of Agriculture.*--The Board of Agriculture may:

(1) Establish standards for the care of animals at animal shelters, boarding kennels, pet shops, and public auctions.

(2) Prescribe the manner in which animals may be transported to and from registered or licensed premises.

(3) Require licensees and holders of certificates to keep records of the purchase and sale of animals and to identify animals at their establishments.

(4) Adopt rules to implement this Article, including federal regulations promulgated under Title 7, Chapter 54, of the United States Code."

Sec. 63. G.S. 19A-25 is amended by deleting the words "and regulations".

Sec. 64. G.S. 19A-26 is amended in the first sentence by deleting the phrase "for more than one year subsequent to January 1, 1979,".

Sec. 65. G.S. 19A-27 and G.S. 19A-28 are each amended by deleting the phrase "as defined in this Article for more than six months subsequent to January 1, 1979,".

Sec. 66. G.S. 19A-29 is amended by deleting the phrase "as defined in this Article for more than six months after January 1, 1979,".

Sec. 67. G.S. 19A-30 is amended as follows:

(1) by deleting the words "regulations or" in subdivision (2);

(2) by deleting the words "with the intent of the rules and regulations which may be promulgated pursuant to the authority of" in subdivision (3) and substituting the words "the rules adopted under"; and

(3) by rewriting the third paragraph of the section to read:

"A person to whom a certificate of registration or a license is denied, suspended, or revoked by the Director may contest the action by filing a petition under G.S. 150B-23 within five days after the denial, suspension, or revocation."

Sec. 68. G.S. 19A-32 is rewritten to read:

"§ *19A-32. Procedure for review of Director's decisions.*--A denial, suspension, or revocation of a certificate or license under this Article shall be made in accordance with Chapter 150B of the General Statutes."

Sec. 69. G.S. 19A-37 is amended by deleting the phrase "the provisions of United States Public Law 89-544" and substituting the phrase "Title 7, Chapter 54, of the United States Code".

Sec. 70. G.S. 87-92 is amended by deleting the phrase "Article 3 and Article 4 of".

Sec. 71. G.S. 89A-7 is amended in the first sentence by deleting the phrase ", Uniform Revocation of Licenses, of the General Statutes of North Carolina," and substituting the phrase "of the General Statutes:".

Sec. 72. G.S. 89A-8(b) is amended by changing the comma following the word "Chapter" to a period and deleting the remainder of that subsection.

Sec. 73. G.S. 89C-20 is amended as follows:

(1) by deleting the third sentence of the section; and

(2) by inserting a period after the reference "89C-22" in the last sentence and deleting the remainder of the section.

Sec. 74. G.S. 89D-7(b) is rewritten to read:

"(b) Chapter 150B of the General Statutes applies to proceedings under this section to deny, revoke, or suspend a certificate."

Sec. 75. G.S. 89E-4(a) is amended by deleting the phrase "the Administrative Procedures Act, G.S. Chapter 150A" and substituting the phrase "Chapter 150B of the General Statutes".

Sec. 76. G.S. 89E-20(a) and (b) are amended by deleting the phrase "Article 3,".

Sec. 77. G.S. 90-270.26(5) and G.S. 90-270.69(7) are amended by deleting the phrase "Article 3 of".

Sec. 78. G.S. 90-270.51(b) is rewritten to read:

"(b) The Board may adopt rules to implement this Article."

Sec. 79. G.S. 93-12(9) is amended by deleting the second sentence of the subdivision.

Sec. 80. G.S. 93D-3(c)(9) is amended in the third sentence by deleting the words "in the manner set forth in Chapter 150A of the General Statutes".

Sec. 81. G.S. 140-5.15(b) is amended by deleting the last two sentences of the subsection.

Sec. 82. G.S. 74-51(1) is amended by deleting the words "or regulation".

Sec. 82A. G.S. 74-58 is amended as follows:

(1) by deleting the words "and regulations" in the first paragraph;

(2) by deleting the reference "74-62" in the second paragraph and substituting the reference "74-61"; and

(3) by deleting the phrase ", rules and regulations" in the last paragraph and substituting the words "and rules".

Sec. 83. G.S. 74-62 is repealed.

Sec. 84. G.S. 74-63 is rewritten to read:

"§ *74-63. Rules.*--The Commission may adopt rules necessary to administer this Article."

Sec. 85. G.S. 74-54, 74-55, 74-56, and 74-64 are amended by deleting the words "and regulations" and the words "or regulations" each place they appear.

Sec. 86. G.S. 74-61 is rewritten to read:

"§ *74-61. Administrative and judicial review of decisions.*--Any affected person may contest a decision of the Department to deny, suspend, modify, or revoke a permit or a reclamation plan, to refuse to release part or all of a bond or other security, or to assess a civil penalty by filing a petition for a contested case under G.S. 150B-23 within 60 days after the Department makes the decision. The Commission shall make the final decision in a contested case under this section. Article 4 of Chapter 150B of the General Statutes governs judicial review of a decision of the Commission."

Sec. 87. G. S. 74-85 is rewritten to read:

"§ *74-85. Administrative and judicial review of decisions.*--Any affected person may contest a decision of the Department to approve, deny, suspend, or revoke a permit, to require additional abandonment work, to refuse to release part or all of a bond or other security, or to assess a civil penalty by filing a petition for a contested case under G.S. 150B-23 within 30 days after the Department makes the decision. The Commission shall make the final decision in a contested case under this section. Article 4 of Chapter 150B of the General Statutes governs judicial review of a decision of the Commission."

Sec. 88. G.S. 74-86 is amended by deleting the words "and regulations" from the catch line.

Sec. 89. G.S. 113-26.1 is amended by rewriting the second paragraph of the section to read:

"The Department of Natural Resources and Community Development may adopt rules governing the operation of a Bureau of Mines or mineral museum established under this section."

Sec. 90. G.S. 113-29 is amended in the first sentence by deleting the phrase "as the Department of Natural Resources and Community Development,".

Sec. 91. G.S. 113-34 is amended as follows:

(1) by deleting the word "regulations" in subdivision (2) and substituting the word "rules";

(2) by deleting the words "and regulations" in the fourth paragraph of the section; and

(3) by deleting the words "regulations" each time it appears in the fifth paragraph and substituting the word "rules".

Sec. 92. G.S. 113-35 is amended as follows:

(1) by deleting the words "and regulations" each time they appear; and

(2) by deleting the word "regulations" in the fifth sentence and the last sentence of the section and substituting the word "rules".

Sec. 93. G.S. 113-41 is amended by deleting the words "and regulations" each time they appear.

Sec. 94. G.S. 113-64 is amended by rewriting subdivision (1) to read:

"(1) Adopt rules to implement this Article and to protect and develop forests subject to its jurisdiction."

Sec. 95. G.S. 113-65(3) is amended by deleting the phrase "and his orders, rules and regulations thereunder" and substituting the phrase ", a rule implementing this Article, or an order issued under this Article".

Sec. 96. G.S. 113-133 is amended by deleting the words "promulgating regulations" and substituting the words "adopting rules".

Sec. 97. G.S. 113-134 is rewritten to read:

"§ *113-134. Rules.*--The Marine Fisheries Commission and the Wildlife Resources Commission may, within their jurisdictional limitations imposed by this Article, adopt rules implementing this Subchapter."

Sec. 98. G.S. 113-135, 113-135.1, 113-136, 113-137, 113-138, 113-140, 113-152, 113-153, 113-156, 113-160, 113-163, 113-164, 113-165, 113-166, 113-183, 113-185, 113-187, 113-201, 113-202, 113-203, 113-205, 113-261, 113-262, 113-264, 113-265, 113-267, 113-270.1 through 113-277, 113-291 through 113-294, 113-300.1, 113-302.1, 113-304, and 113-306 are amended by deleting the words "regulations", "Regulations", and "regulation" each time they appear, including the catch lines, and substituting the words "rules", "Rules", and "rule" respectively.

Sec. 99. G.S. 113-166(e) and (f) are rewritten to read:

"(e) A licensee served with a notice of suspension or revocation may obtain an administrative review of the suspension or revocation by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the notice. The only issue in the hearing shall be whether the licensee was convicted of a criminal offense for which a license must be suspended or revoked. A license remains suspended or revoked pending the final decision by the Secretary.

(f) If the Secretary refuses to reissue the license of or issue an additional license to an applicant whose license was revoked, the applicant may contest the decision by filing a petition for a contested case under G.S. 150B-23 within 20 days after the Secretary makes his decision. The Marine Fisheries Commission shall make the final

agency decision in a contested case under this subsection. An applicant whose license is denied under this subsection may not reapply for the same license for at least six months."

Sec. 100. G.S. 113-151 is repealed.

Sec. 101. G.S. 113-181(b) is amended by deleting the last sentence of the subsection.

Sec. 102. G.S. 113-188 is amended by deleting the word "regulations" each time it appears, including the catch line, and substituting the word "restrictions".

Sec. 103. G.S. 113-226(a) is amended by deleting the phrase "Chapter 40" and substituting the phrase "Chapter 40A".

Sec. 104. G.S. 113-228 is amended by deleting the word "regulations" the first, third, and fourth times it appears in the section and substituting the word "rules".

Sec. 105. G.S. 113-229 is amended as follows:

(1) by deleting the words "Water and Air Resources" in subsection (a) and substituting the words "Natural Resources and Community Development";

(2) by deleting the first two sentences of subsection (d) and substituting the following sentences to read:

"An applicant for a permit, other than an emergency permit, shall send a copy of his application to the owner of each tract of riparian property that adjoins that of the applicant. The copy shall be served by certified mail or, if the owner's address is unknown and cannot be ascertained with due diligence or if a diligent but unsuccessful effort has been made to serve the copy by certified mail, by publication in accordance with the rules of the Commission. An owner may file written objections to the permit with the Department for 30 days after he is served with a copy of the application.";

(3) by deleting the seventh sentence of subsection (e) and substituting the following sentences to read:

"The Coastal Resources Commission shall coordinate the issuance of permits under this section and G.S. 113A-118 to avoid duplication and to create a single, expedited permitting process. The Coastal Resources Commission may adopt rules interpreting and applying the provisions of this section and rules specifying the procedures for obtaining a permit under this section.";

(4) by deleting the phrase ", after public hearings," in the third sentence of subsection (el);

(5) by rewriting subsection (f) to read:

"(f) A permit applicant who is dissatisfied with a decision on his application may file a petition for a contested case hearing under G.S. 150B-23 within 20 days after the decision is made. Any other person who is dissatisfied with a decision to deny or grant a permit may file a

petition for a contested case hearing only if the Coastal Resources Commission determines, in accordance with G.S. 113A-121.1(c), that a hearing is appropriate. A permit is suspended from the time a person seeks administrative review of the decision concerning the permit until the Commission determines that the person seeking the review cannot commence a contested case or the Commission makes a final decision in a contested case, as appropriate, and no action may be taken during that time that would be unlawful in the absence of the permit.";

(6) by rewriting subsection (g) to read:

"(g) G.S. 113A-122 applies to an appeal of a permit decision under subsection (f).";

(7) by deleting subsection (h); and

(8) by rewriting the last sentence of subsection (k) to read: "A notice to cease shall be served personally or by certified mail."

Sec. 106. G.S. 113-306(a) is amended by deleting the phrase "Chapter 40" and substituting the phrase "Chapter 40A".

Sec. 107. G.S. 113-307 is amended by deleting the word "regulations" the first, third, and fourth times it appears in the section and substituting the word "rules".

Sec. 108. G.S. 113-315.29(8) is amended by deleting the phrase "its own bylaws, rules and regulations" and substituting the words "bylaws and rules".

Sec. 109. G.S. 113-315.34 is amended as follows:

(1) by rewriting subsection (c) to read:

"(c) The Authority shall post copies of rules concerning traffic and parking at appropriate places on property of the Authority. Violation of a rule concerning traffic or parking on property of the Authority is a misdemeanor, punishable by a fine of up to fifty dollars ($50.00), imprisonment for up to 30 days, or both."; and

(2) by rewriting the second sentence of subsection (d) to read:

"Special policemen may arrest persons who violate State law or a rule adopted by the Authority."

Sec. 110. G.S. 113-378 and G.S. 113-388 are amended by deleting the words "and regulations".

Sec. 111. G.S. 113-391 is amended as follows:

(1) by deleting the phrase ", regulations" each time it appears; and

(2) by deleting the phrase "The Department shall have authority to make, after hearing and notice as hereinafter provided, such reasonable" in the first sentence of the third paragraph and substituting the words "The Department may make".

Sec. 112. G.S. 113-392, 113-393, and 113-394 are amended by deleting the following phrases: ", regulation", ", regulations", and ", regulation,".

Sec. 113. G.S. 113-395 is amended by deleting the word "regulations" and substituting the word "rules".

Sec. 114. G.S. 113-397 is rewritten to read:

"§ *113-397. Hearing in emergency.*--If an emergency situation, as defined by the Department, arises under this Article, the Department may conduct a hearing to determine the appropriate course of action after giving any notice it considers practicable. Chapter 150B of the General Statutes does not apply to a hearing under this section. The rules of evidence apply in a hearing under this section."

Sec. 115. G.S. 113-398 is amended in the second sentence by deleting the phrase ", regulations".

Sec. 116. G.S. 113-399 is rewritten to read:

"§ *113-399. Suits by Department.*--The Department may bring an action in any court of competent jurisdiction in the State to enforce, by injunction or another remedy, an order issued or rule adopted by the Department under this Article. The court may enter any judgment or order necessary to enforce an order issued or rule adopted by the Department under this Article."

Sec. 117. G.S. 113-402 is rewritten to read:

"§ *113-402. Administrative review.*--A party who is dissatisfied with a decision or order of the Department under this Article may obtain administrative review of the decision by filing a petition for a contested case hearing under G.S. 150B-23 within 10 days after the decision or order is made."

Sec. 118. G.S. 113-403 is rewritten to read:

"§ *113-403. Judicial review.*--Article 4 of Chapter 150B of the General Statutes governs judicial review of a decision or order made under this Article."

Sec. 119. G.S. 113-404 and G.S. 113-405 are repealed.

Sec. 120. G.S. 113-406 is amended by inserting between the words "of" and "review" in the catch line and in the first sentence of the section the word "judicial".

Sec. 121. G.S. 113-408 is amended as follows:

(1) by deleting the word "regulations" each time it appears and substituting the word "rules"; and

(2) by deleting the phrase ", regulation".

Sec. 122. G.S. 113-409, 113-410, and 113-411 are amended by deleting the phrases ", regulation" and ", regulation," each time they appear.

Sec. 123. G.S. 113-412 is amended in the fourth sentence of the sixth paragraph by deleting the phrase "and rules, regulations and " and substituting the phrase "rules, and".

Sec. 124. G.S. 113-413 is repealed.

Sec. 125. G.S. 113A-4(1), 113A-36, 113A-42, 113A-124(a)(5) and (b), and 113A-125(c) are amended by deleting the words "regulation" and "regulations" and substituting the words "rule" and "rules" respectively.

Sec. 126. G.S. 113A-6 is amended as follows:

(1) by deleting the words "review their present" and substituting the words "periodically review their";

(2) by deleting the word "regulations" and substituting the word "rules"; and

(3) by deleting the phrase "not later than July 1, 1972,".

Sec. 127. Article 3 of Chapter 113A of the General Statutes is amended by deleting the words "Department of Natural Resources and Community Development" each time they appear, except in G.S. 113A-33 and G.S. 113A-36(a), and substituting the word "Department".

Sec. 128. G.S. 113A-36(d) is rewritten to read:

"(d) The Department may adopt rules to implement this Article."

Sec. 129. G.S. 113A-38(b) is amended by deleting the phrase "the provisions of Article 2, Chapter 40, of the General Statutes, as amended" and substituting the phrase "Article 3 of Chapter 40A of the General Statutes".

Sec. 130. G.S. 113A-56(a) is amended by deleting the words "for the purpose of promulgating regulations" and substituting the words "to adopt rules".

Sec. 131. G.S. 113A-57(3) is amended by deleting the words "adopted by regulation by" and substituting the words "specified by rule of".

Sec. 132. G.S. 113A-88(d) is amended by deleting the words "and regulations".

Sec. 133. G.S. 113A-103(10) is deleted.

Sec. 134. G.S. 113A-107 is amended as follows:

(1) by deleting the last sentence of subsection (a);

(2) by rewriting subsection (c) to read:

"(c) The Commission shall mail proposed as well as adopted rules establishing guidelines for the coastal area to all cities, counties, and lead regional organizations within the area and to all State, private, federal, regional, and local agencies the Commission considers to have special expertise on the coastal area. A person who receives a proposed rule may send written comments on the proposed rule to the

Commission within 30 days after receiving the proposed rule. The Commission shall consider any comments received in determining whether to adopt the proposed rule.";

(3) by deleting subsections (d) and (e); and

(4) by rewriting subsection (f) to read:

"(f) The Commission shall review its rules establishing guidelines for the coastal area at least every five years to determine whether changes in the rules are needed."

Sec. 135. G.S. 113A-115(a) is amended by inserting a new sentence between the first and second sentences of the subsection to read:

"Hearings required by this section are in addition to the hearing required by Article 2 of Chapter 150B of the General Statutes."

Sec. 136. G.S. 113A-118(c) is amended by changing the comma following the word "agent" to a period and deleting the remainder of the subsection.

Sec. 137. G.S. 113A-118.1(b) is amended in the first sentence by inserting a period after the word "Commission" and deleting the remainder of the sentence.

Sec. 138. G.S. 113A-120 is amended as follows:

(1) by rewriting the part of subsection (a) that precedes the colon to read:

"The responsible official or body shall deny an application for a permit upon finding";

(2) by deleting the phrase "regulations, standards or" in the first sentence of subsection (c) and substituting the phrase "standards, or";

(3) by deleting the phrase "regulations," in the second sentence of subsection (c); and

(4) by deleting the words "varying such regulations" in the third sentence of subsection (c) and substituting the words "granting a variance".

Sec. 139. G.S. 113A-121.1 is rewritten to read:

"§ *113A-121.1. Administrative review of permit decisions.*--(a) An applicant for a minor or major development permit who is dissatisfied with the decision on his application may file a petition for a contested case hearing under G.S. 150B-23 within 20 days after the decision is made. When a local official makes a decision to grant or deny a minor development permit and the Secretary is dissatisfied with the decision, the Secretary may file a petition for a contested case within 20 days after the decision is made.

(b) A person other than a permit applicant or the Secretary who is dissatisfied with a decision to deny or grant a minor or major development permit may file a petition for a contested case hearing

only if the Commission determines that a hearing is appropriate. A request for a determination of the appropriateness of a contested case hearing shall be made in writing and received by the Commission within 20 days after the disputed permit decision is made. A determination of the appropriateness of a contested case shall be made within 15 days after a request for a determination is received and shall be based on whether the person seeking to commence a contested case:

(1) Has alleged that the decision is contrary to a statute or rule;

(2) Is directly affected by the decision; and

(3) Has a substantial likelihood of prevailing in a contested case.

If the Commission determines a contested case is appropriate, the petition for a contested case shall be filed within 20 days after the Commission makes its determination. A determination that a person may not commence a contested case is a final agency decision and is subject to judicial review under Article 4 of Chapter 150B of the General Statutes.

(c) A permit is suspended from the time a person seeks administrative review of the decision concerning the permit until the Commission determines that the person seeking the review cannot commence a contested case or the Commission makes a final decision in a contested case, as appropriate, and no action may be taken during that time that would be unlawful in the absence of a permit."

Sec. 140. G.S. 113A-122 is amended as follows:

(1) by rewriting the catch line to read: "*Procedures for hearings on permit decisions.*";

(2) by deleting subsection (a);

(3) by deleting subdivisions (b)(1), (b)(2), (b)(4) through (b)(6), (b)(8), and (b)(9);

(4) by deleting the word "appeal" in (b)(7) and substituting the words "a decision granting a permit";

(5) by deleting the phrase "After hearing the evidence, the" in (b)(10) and substituting the word "The";

(6) by deleting the phrase "regulation," in the second sentence of (b)(11); and

(7) by deleting the word "judicial" in the third sentence of (b)(11) and substituting the word "official".

Sec. 141. G.S. 113A-124 is amended as follows:

(1) by deleting the words "and regulations" in subdivision (a)(4);

(2) by deleting the words "the evidence and" in the second sentence of subdivision (a)(6); and

(3) by deleting subdivision (c)(5).

Sec. 142. G.S. 113A-125 is amended by deleting all but the first sentence of subsection (d).

Sec. 143. G.S. 113A-126 is amended as follows:

(1) by deleting the phrase "regulation," each time it appears;

(2) by deleting the reference "113A-122" in (d)(1)a. and substituting the reference "113A-118";

(3) by rewriting (d)(1)d. to read:

"d. Violates a rule of the Commission implementing this Article."; and

(4) by rewriting all but the first sentence of subdivision (d)(3) to read:

"The Commission shall notify a person who is assessed a penalty by registered or certified mail. The notice shall state the reasons for the penalty. A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the notice of assessment. If a person fails to pay a penalty, the Commission shall refer the matter to the Attorney General for collection."

Sec. 144. G.S. 113A-128 and G.S. 113A-158 are amended by deleting the words "or regulation".

Sec. 145. G.S. 113A-134.3 is amended in the fourth sentence by deleting the words "and regulations promulgated" and substituting the word "adopted".

Sec. 146. G.S. 113A-153(e) is amended by deleting the words "and regulations".

Sec. 147. G.S. 113A-155 is amended as follows:

(1) by deleting the words "valid regulations promulgated pursuant thereto" in subsection (b) and substituting the word "rules"; and

(2) by deleting subsection (c).

Sec. 148. G.S. 113A-156(e) is deleted.

Sec. 149. G.S. 113A-166 is rewritten to read:

"§ *113A-166. Rules.*--The Secretary of the Department of Natural Resources and Community Development may adopt rules needed to implement this Article."

Sec. 150. G.S. 113A-168 is amended in the last sentence by deleting the words "rules and regulations promulgated by the Department of Natural Resources and Community Development hereunder" and substituting the words "its implementing rules".

Sec. 151. G.S. 113A-170 is amended by deleting the words "or any regulations passed pursuant thereto" and the words "and rules and regulations promulgated pursuant hereto" and substituting the words "or a rule adopted under this Article".

Sec. 152. G.S. 113A-164.4(1) is amended by deleting the word "regulation" and substituting the word "rule".

Sec. 152A. Article 21 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"§ *143-212. Definitions applicable to Article.*--The following definitions apply to this Article:

(1) 'Area of the State' means a municipality, a county, a portion of a county or a municipality, or other substantial geographic area of the State designated by the Commission.

(2) 'Commission' means the North Carolina Environmental Management Commission.

(3) 'Department' means the Department of Natural Resources and Community Development.

(4) 'Person' includes individuals, firms, partnerships, associations, institutions, corporations, municipalities and other political subdivisions, and governmental agencies.

(5) 'Secretary' means the Secretary of the Department of Natural Resources and Community Development.

(6) 'Waters' means any stream, river, brook, swamp, lake, sound, tidal estuary, bay, creek, reservoir, waterway, or other body or accumulation of water, whether surface or underground, public or private, or natural or artificial, that is contained in, flows through, or borders upon any portion of this State, including any portion of the Atlantic Ocean over which the State has jurisdiction."

Sec. 153. G.S. 143-213 is amended as follows:

(1) by rewriting the catch line to read "*Definitions applicable to Part.*";

(2) by deleting subdivisions (6), (7), (8), (11), (14), and (20); and

(3) by inserting a period after the word "Commission" the first time it appears in subdivision (21) and deleting the remainder of the subdivision.

Sec. 154. Articles 21, 21A, and 21B of Chapter 143 of the General Statutes, except G.S. 143-211, 143-212, 143-215.13(a), 143-215.40, 143-215.77, and 143-215.106, are amended as follows:

(1) by deleting the words "Environmental Management Commission", "North Carolina Environmental Management Commission", and "Environmental Management Commission's" each place they appear and substituting the word "Commission" or "Commission's", as appropriate;

(2) by deleting the words "Department of Natural Resources and Community Development" and "North Carolina Department of Natural Resources and Community Development" and substituting the word "Department"; and

(3) by deleting the words "Secretary of the Department of Natural Resources and Community Development" and substituting the word "Secretary".

Sec. 155. G.S. 143-215.77(2) is rewritten to read:

"(2) 'Commission' means the North Carolina Environmental Management Commission."

Sec. 156. G.S. 143-214.1 is amended as follows:

(1) by rewriting subsection (e) to read:

"(e) Chapter 150B of the General Statutes governs the adoption and publication of rules under this Article."; and

(2) by deleting subsections (f) and (g).

Sec. 157. G.S. 143-214.2(c) is rewritten to read:

"(c) Unless permitted by a rule of the Commission, the discharge of wastes, including thermal discharges, to the open waters of the Atlantic Ocean over which the State has jurisdiction are prohibited."

Sec. 158. G.S. 143-215(b) is amended by deleting the phrase "shall be promulgated in its official regulations as provided in G.S. 143-215.3(a)(1) and" each place it appears.

Sec. 159. G.S. 143-215.1 is amended as follows:

(1) by deleting the third, fourth, and fifth sentences of (c)(1) and substituting the following sentences to read:

"The Commission shall act on a permit application as quickly as possible. The Commission may conduct any inquiry or investigation it considers necessary before acting on an application and may require an applicant to submit plans, specifications, and other information the Commission considers necessary to evaluate the application.";

(2) by deleting the phrase ", pursuant to appropriate rules of procedure adopted by the Environmental Management Commission," in the first sentence of (c)(2)a.;

(3) by deleting the phrase "through its official rules," in the third sentence of (c)(2)a.;

(4) by deleting the words "by regulation" in (c)(2)b.;

(5) by deleting the phrase ", through its official rules," in the last sentence of the first paragraph of (c)(3);

(6) by deleting the words "adopt appropriate rules and regulations governing" in the first sentence of the second paragraph of (c)(3) and substituting the word "prescribe";

(7) by deleting the second, third, fourth, and fifth sentences of subsection (d) and substituting the following sentences to read:

"The Commission shall act on a permit application as quickly as possible. The Commission may conduct any inquiry or investigation it considers necessary before acting on an application and may require an applicant to submit plans, specifications, and other information the

Commission considers necessary to evaluate the application. If the Commission fails to act on an application for a permit, including a renewal of a permit, within 90 days after the applicant submits all information required by the commission, the application is considered to be approved.";

(8) by rewriting subsection (e) to read:

"(e) Administrative Review. A permit applicant or permittee who is dissatisfied with a decision of the Commission may commence a contested case by filing a petition under G.S. 150B-23 within 30 days after the Commission notifies the applicant or permittee of its decision. If the permit applicant or permittee does not file a petition within the required time, the Commission's decision is final and is not subject to review."

(9) by deleting the phrase "Part I of Article 21 of this Chapter, and the standards, rules, and regulations adopted pursuant to that Part" in (f)(1) and substituting the words "this Part and the rules implementing this Part";

(10) by deleting the words "any applicable rules and regulations adopted pursuant to" in (f)(8) and substituting the words "the rules implementing"; and

(11) by deleting the last three sentences of the second paragraph of subsection (f) and substituting the following sentence to read:

"A denial, suspension, or revocation of a certification of a local program shall be made only after notice and a public hearing. If the failure of a local program to carry out this subsection creates an imminent hazard, the Commission may summarily revoke the certification of the local program. Chapter 150B of the General Statutes does not apply to proceedings under this subsection."

Sec. 160. G.S. 143-215.2 is amended as follows:

(1) by rewriting subsection (b) to read:

"(b) Procedure to Contest Certain Orders. A special order that is issued without the consent of the person affected may be contested by that person by filing a petition for a contested case under G.S. 150B-23 within 30 days after the order is issued. If the person affected does not file a petition within the required time, the order is final and is not subject to review."; and

(2) by deleting subsection (c).

Sec. 161. G.S. 143-215.3 is amended as follows:

(1) by deleting the words "official regulations" in subdivision (a)(4) and substituting the word "rules";

(2) by deleting the words "or regulations" in subdivision (a)(5);

(3) by deleting the phrase "held pursuant to the provisions of General Statutes Chapter 150A, Article 2" in the second sentence of subdivision (a)(8);

(4) by rewriting the last paragraph of subdivision (a)(8) to read: "A person aggrieved by an order of the Commission under this subdivision may seek judicial review of the order under Article 4 of Chapter 150B of the General Statutes without first commencing a contested case. An order may not be stayed while it is being reviewed.";

(5) by deleting the word "regulations" in subdivision (a)(9) and substituting the word "rules";

(6) by rewriting subdivision (a)(10) to read:

"(10) To require a laboratory facility to be certified by the Department before performing any tests, analyses, measurements, or monitoring required under this Article and to establish fees therefor.";

(7) by deleting the words "of the assistant director" in the last sentence of the first paragraph of (a)(12);

(8) by deleting the word "provision" in the last sentence of the second paragraph of (a)(12) and substituting the word "subdivision";

(9) by deleting the words "develop and adopt standards and regulations necessary to" in subdivision (a)(15); and

(10) by deleting the phrase "regulations, standards" each time it appears in subsection (e) and substituting the phrase "standards,".

Sec. 162. G.S. 143-215.4 is rewritten to read:

"§ *143-215.4. Mailing list for rules; procedures for public input; form of order or decision.*--(a) Mailing List. When the Commission proposes or adopts a rule establishing water quality classifications and standards under G.S. 143-214.1 or establishing effluent standards or waste treatment management practices under G.S. 143-215, it shall send notice of the action to each person who has requested to be notified of these matters. The Department shall maintain a mailing list for this purpose on which it shall record the name and address of each person who has made a written request to be on the list and the date on which the request was made. In making a request to be put on the list, a person may request to be added to the list for a specified period or indefinitely.

(b) Procedures for Public Input. The Commission may, on its own motion or when required by federal law, request public comments on or hold public hearings on matters within the scope of its authority under this Article or Articles 21A or 21B of this Chapter. To request public comments on a matter, the Commission shall notify

appropriate agencies of the opportunity to submit written comments to the Commission on the matter and shall publish a notice in a newspaper having general circulation in the affected area, stating the matter under consideration by the Commission and informing the public of its opportunity to submit written comments to the Commission on the matter. A public comment period shall extend for at least 30 days after the notice is published.

To hold a public hearing on a matter, the Commission shall notify, by personal service or certified mail, persons directly affected by the matter under consideration and shall publish a notice in a newspaper having general circulation in the affected area, stating the matter under consideration by the Commission and the time, date, and place of a public hearing to be held on the matter. A public hearing shall be held no sooner than 20 days after the notice is published. The proceedings at a public hearing held under this subsection shall be recorded. Upon payment of a fee established by the Commission, any person may obtain a copy of the record of the public hearing. After a public hearing, the Commission shall accept written comments for the time period prescribed by the Commission.

This subsection applies only to proceedings that are not rule-making proceedings or contested case hearings.

(c) Decisions and Orders. An order or decision of the Commission shall state the Commission's findings of fact and conclusions of law and shall state the statute or rule on which the order or decision is based."

Sec. 163. G.S. 143-215.5 is rewritten to read:

"§ *143-215.5. Judicial review of actions under Article.*--Article 4 of Chapter 150B of the General Statutes governs judicial review of a final decision of the Secretary or of an order of the Commission under this Article. If a case that concerns an action of the Commission under this Article is appealed from the superior court to the Court of Appeals, no bond shall be required of the Commission."

Sec. 164. G.S. 143-215.6 is amended as follows:

(1) by rewriting (a)(1)f. to read:

"f. Violates a rule of the Commission implementing this Part or G.S. 143-355(k).";

(2) by deleting the last sentence of (a)(4);

(3) by deleting the word "regulation" in (b)(1) and substituting the word "rule";

(4) by deleting the words "regulation of the Environmental Management Commission" in (b)(2) and substituting the words "a rule";

(5) by deleting the words "or any regulations adopted by the Environmmental Management Commission implementing the provisions of" in the first sentence of subsection (c) and substituting the phrase ", or a rule implementing"; and

(6) by deleting the word "Article" each time it appears in subsection (c) and substituting the word "Part".

Sec. 165. G.S. 143-215.7 is amended by deleting the phrase "Article 13 of Chapter 130 of the General Statutes of North Carolina" and substituting the phrase "Article 11 of Chapter 130A of the General Statutes".

Sec. 166. G.S. 143-215.8A(f) is deleted.

Sec. 167. G.S. 143-215.13 is amended as follows:

(1) by deleting the last sentence of (c)(3) and substituting the following sentence to read: "A rule declaring an area to be a capacity use area shall delineate the boundaries of the area.";

(2) by deleting (c)(7);

(3) by deleting the word "commission" in the second paragraph of subsection (d) and substituting the word "Commission"; and

(4) by deleting the third and fifth paragraphs of subsection (d).

Sec. 168. G.S. 143-215.14 is amended as follows:

(1) by deleting the words "Regulations" and "regulations" each time they appear, including the catch line, and substituting the word "Rules" or "rules"; and

(2) by rewriting subsection (b) to read:

"(b) In adopting rules for a capacity use area, the Commission shall consider the factors listed in G.S. 143-215.15(h)."

Sec. 169. G.S. 143-215.15 is amended as follows:

(1) by rewriting that part of subsection (c) that precedes the colon in the second sentence to read:

"If sufficient evidence of a nonconsumptive use is not presented, the Commission may";

(2) by deleting the word "to" at the beginning of subparts (i), (ii), (iii), and (iv) of subsection (c);

(3) by deleting the word "regulations" each time it appears in subsection (c) and substituting the word "rules";

(4) by deleting the last sentence of subsection (c) and substituting the following sentences to read:

"Before issuing a permit under this subsection, the Commission shall notify the permit applicant of its proposed action by sending the permit applicant a copy of the permit the Commission proposes to issue. Unless the permit applicant contests the proposed permit, the proposed permit shall become effective on the date set in the proposed permit. A water user who is dissatisifed with a decision of the Commission concerning that user's or another user's permit

application or permit may commence a contested case under G.S. 150B-23.";

(5) by deleting the last sentence of subsection (d);

(6) by deleting the phrase "regulation," in the second sentence of (f)(1);

(7) by deleting the word "judicial" in the third sentence of (f)(1) and substituting the word "official";

(8) by recodifying G.S. 143-215.15(f)(1), as amended, as subsection (d) of G.S. 143-215.4, as rewritten by this act, with the heading "Seal/Official Notice.";

(9) by deleting (f)(2), (f)(3), and subsection (g); and

(10) by rewriting that part of subsection (h) that precedes the colon to read: "In determining whether to issue, modify, revoke, or deny a permit under this section, the Commission shall consider".

Sec. 170. G.S. 143-215.17 is amended as follows:

(1) by deleting the phrase "any duly adopted regulations of the Commission implementing the provisions of this Part" in the last sentence of (b)(1) and substituting the phrase "a rule of the Commission implementing this Part";

(2) by deleting the last sentence of (b)(4); and

(3) by deleting the phrase ", or any order issued pursuant to this Part, or duly adopted regulation of the Commission or its predecessor implementing the provisions of this Part" in the first sentence of subsection (c) and substituting the phrase "this Part, a rule implementing this Part, or an order issued under this Part".

Sec. 171. G.S. 143-215.18(b) is amended by deleting the last sentence of the subsection.

Sec. 172. G.S. 143-215.19 is amended by deleting the word "regulations" each time it appears and substituting the word "rules".

Sec. 173. G.S. 143-215.20 is repealed.

Sec. 174. G.S. 143-215.21 is amended by deleting subdivisions (1), (2), (4), (6), and (7).

Sec. 175. G.S. 143-215.25 is amended by deleting subdivisions (1), (3), and (5).

Sec. 176. G.S. 143-215.26(a) is amended in the first sentence by deleting the phrase ", as defined by this Part,".

Sec. 177. G.S. 143-215.30(c) is amended in the second sentence by deleting the phrase "requirement, regulation," and substituting the word "rule".

Sec. 178. G.S. 143-215.33 is rewritten to read:

"§ *143-215.33. Administrative hearing.*--A person to whom a decision or order is issued under this Part may contest the decision or order by filing a petition for a contested case within 10 days after

receiving notice, by personal service or by registered or certified mail, of the Commission's decision or order."

Sec. 179. G.S. 143-215.34 is amended as follows:

(1) by deleting the phrase "rules and regulations;" from the catch line; and

(2) by deleting the second sentence of the section.

Sec. 180. G.S. 143-215.36 is amended as follows:

(1) by deleting the phrase ", or any order issued pursuant to this Part, or who violates any duly adopted regulation of the Commission or its predecessor implementing the provisions of this Part" in (b)(1) and (c) and substituting the phrase "this Part, a rule implementing this Part, or an order issued under this Part"; and

(2) by deleting the last sentence of (b)(4).

Sec. 181. G.S. 143-215.42 is amended as follows:

(1) by deleting the phrase "Chapter 143, Article 21, Part 4" each time it appears and substituting the words "this Part";

(2) by deleting the phrase "General Statutes Chapter 40, Article 2, and all acts amendatory thereof" in subsection (e) and substituting the phrase "Article 3 of Chapter 40A of the General Statutes"; and

(3) by deleting the references "153" and "160" in subsection (g) and substituting the references "153A" and "160A" respectively.

Sec. 182. G.S. 143-215.44(e) is deleted.

Sec. 183. G.S. 143-215.55 is amended in the last sentence by deleting the phrase "G.S. Chapter 40, Article 2, and all acts amendatory thereof" and substituting the phrase "Article 3 of Chapter 40A of the General Statutes".

Sec. 184. G.S. 143-215.56 is amended as follows:

(1) by deleting the last two sentences of subsection (b) and substituting the following sentence to read:

"The Department shall send a copy of every rule adopted to implement this Part to the governing body of each local government in the State.";

(2) by deleting the words "specified in the resolution" in the second sentence of subsection (d) and substituting the words "of a rule";

(3) by deleting the words "such rules and regulations" in the second sentence of subsection (d) and substituting the words "the rule";

(4) by deleting the word "resolution" in the third sentence of subsection (d) and substituting the word "rule"; and

(5) by deleting the words "and regulations" in the last sentence of subsection (d).

Sec. 185. G.S. 143-215.62(d) is deleted.

Sec. 186. G.S. 143-215.65 is amended as follows:

(1) by deleting the words "official regulations" each time they appear and substituting the word "rules"; and

(2) by deleting the words "adequate regulations" in the last sentence of the section and substituting the word "rules".

Sec. 187. G.S. 143-215.66 is amended in the second sentence by deleting the phrase "shall be reasonably required by the Environmental Management Commission, in its official regulations," and substituting the words "required by rule of the Commission".

Sec. 188. G.S. 143-215.68 is repealed.

Sec. 189. G.S. 143-215.69 is amended as follows:

(1) by deleting the word "regulations" in subsection (a) and substituting the word "rules";

(2) by rewriting subsection (b) to read:

"(b) Civil Penalties. The Commission may assess a civil penalty against a person who violates this Part or a rule of the Commission implementing this Part. The amount of the penalty shall not exceed the maximum imposed in G.S. 143-215.6 and shall be assessed in accordance with the procedure set out in G.S. 143-215.6 for assessing a civil penalty.";

(3) by deleting the phrase ", or any order issued pursuant to this Part, or duly adopted regulation of the Commission or its predecessor implementing the provisions of this Part" in the first sentence of subsection (c) and substituting the phrase "this Part, a rule implementing this Part, or an order issued under this Part"; and

(4) by deleting subsection (d).

Sec. 190. G.S. 143-215.77A is amended by deleting the phrase " a public hearing must be held pursuant to Article 2 of Chapter 150A of the General Statutes" in subsection (c) and substituting the phrase "the Commission shall initiate rule-making proceedings on the change".

Sec. 191. G.S. 143-215.81 is amended by changing the semicolon following the word "Article" to a period and deleting the remainder of that section.

Sec. 192. G.S. 143-215.83 is amended as follows:

(1) by deleting the word "regulation" in (b)(1) and substituting the word "rule"; and

(2) by deleting the words "and regulations" in subsection (c).

Sec. 193. G.S. 143-215.84(d) is amended in the first sentence by deleting the words "prepare rules and regulations and develop procedures" and substituting the words "adopt rules".

Sec. 194. G.S. 143-215.85 is amended as follows:

(1) by deleting the phrase "existing regulations of the Environmental Management Commission or" in the first sentence of the section and substituting the phrase "a rule adopted by the Commission, a regulation of";

(2) by deleting the words "or pursuant to a" in the first sentence of the section and substituting the phrase ", or a"; and

(3) by deleting the word "Secretary" in the third sentence of the section and substituting the word "Chairman".

Sec. 195. G.S. 143-215.86(b) is amended in the last sentence by deleting the words "and regulations".

Sec. 196. G.S. 143-215.90 is amended as follows:

(1) by deleting the phrase ", rule or regulation" in the first sentence of subsection (a) and substituting the words "or rule";

(2) by rewriting the third sentence of subsection (b) to read:

"A person may contest an assessment of damages by filing a petition for a contested case under G.S. 150B-23 within 30 days after receiving notice of the damages.";

(3) by deleting the words "On such" in the fourth sentence of subsection (b) and substituting the words "In a contested case"; and

(4) by deleting the seventh, eighth, and ninth sentences of subsection (b) and substituting the following sentence to read:

"If a person fails to pay damages assessed against him, the Commission shall refer the matter to the Attorney General for collection."

Sec. 197. G.S. 143-215.91(a) is amended by deleting the fourth, fifth, sixth, and seventh sentences and substituting the following sentence to read:

"A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 30 days after receiving notice of the penalty. If a person fails to pay a penalty assessed against him, the Department shall refer the matter to the Attorney General for collection."

Sec. 198. G.S. 143-215.92 is amended by deleting the words "regulation" and "regulations" and substituting the words "rule" and "rules" respectively.

Sec. 199. G.S. 143-215.97 is rewritten to read:

"§ *143-215.97. Rules.*--The Secretary may adopt rules to implement this Part."

Sec. 200. G.S. 143-215.98 is amended by deleting the words "or regulation".

Sec. 201. G.S. 143-215.101 is amended as follows:

(1) by rewriting the part of the section that precedes the colon in subdivision (1) to read:

"The Secretary has the power to:

(1) Adopt rules implementing this Part. Rules adopted under this Part may include the following matters"; and

(2) by deleting subdivision (5).

Sec. 202. G.S. 143-215.102 is amended by deleting the third, fourth, fifth, and sixth sentences and substituting the following sentences to read:

"A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 30 days after receiving notice of the penalty. If a person fails to pay a penalty assessed against him, the Department shall refer the matter to the Attorney General for collection."

Sec. 203. G.S. 143-215.105 is amended by deleting the words "and the definitions set forth" and substituting the phrase ", the definitions in G.S. 143-212, and the definitions".

Sec. 204. G.S. 143-215.106 is rewritten to read:

"§ *143-215.106. Administration of air quality program.*--The Department shall administer the air quality program of the State."

Sec. 205. G.S. 143-215.107 is amended as follows:

(1) by rewriting subsection (c) to read:

"(c) Chapter 150B of the General Statutes governs the adoption and publication of rules under this Article.";

(2) by deleting subsections (d) and (e);

(3) by deleting the word "regulations" the first time it appears in subsection (f); and

(4) by deleting the phrase "air quality rules, regulations," each time it appears in subsection (f) and substituting the phrase "air quality rules,".

Sec. 206. G.S. 143-215.108 is amended by rewriting the last two paragraphs of subsection (b) to read:

"The Commission shall act on a permit application as quickly as possible. The Commission may conduct any inquiry or investigation it considers necessary before acting on an application and may require an applicant to submit plans, specifications, and other information the Commission considers necessary to evaluate the application. If the Commission fails to act on an application for a permit within 90 days after the applicant submits all information required by the Commission, the application is considered to be approved.

A permit applicant or permittee who is dissatisfied with a decision of the commission may commence a contested case by filing a petition under G.S. 150B-23 within 30 days after the Commission notifies the applicant or permittee of its decision. If the permit applicant or permittee does not file a petition within the required time, the Commission's decision on the application is final and is not subject to review."

Sec. 207. G.S. 143-215.109 is amended as follows:

(1) by deleting the words "develop and adopt regulations establishing" in the first sentence of subsection (a) and substituting the words "by rule establish";

(2) by deleting the word "regulations" each time it appears and substituting the word "rules"; and

(3) by deleting subsection (c).

Sec. 208. G.S. 143-215.110 is amended as follows:

(1) by rewriting subsection (b) to read:

"(b) Procedure to Contest Certain Orders. A special order that is issued without the consent of the person affected may be contested by that person by filing a petition for a contested case under G.S. 150B-23 within 30 days after the order is issued. If the person affected does not file a petition within the required time, the order is final and is not subject to review."; and

(2) by deleting subsection (c).

Sec. 209. G.S. 143-215.111(2) is amended by deleting the words "and regulations".

Sec. 210. G.S. 143-215.112 is amended as follows:

(1) by deleting the words "and regulations" each time they appear;

(2) by deleting the phrase "standards, rules, or regulations" each time it appears and substituting the words "standards or rules";

(3) by deleting the phrase "rules, regulations, and standards" each time it appears and substituting the words "rules and standards".

Sec. 211. G.S. 143-215.113 is repealed.

Sec. 212. G.S. 143-215.114 is amended as follows:

(1) by rewriting (a)(1)f. to read:

"f. Violates a rule of the Commission implementing this Article.";

(2) by deleting the last sentence of (a)(4);

(3) by deleting the word "regulation" in (b)(1) and substituting the word "rule";

(4) by deleting the words "regulations of the Environmental Management Commission" in (b)(2) and substituting the words "a rule"; and

(5) by deleting the words "or any regulations adopted by the Environmental Management Commission implementing the provisions of" in the first sentence of subsection (c) and substituting the words "or a rule implementing".

Sec. 213. G.S. 143-243 is amended by deleting the word "regulations" and substituting the word "rules" each time it appears.

Sec. 214. G.S. 143-254 is repealed.

Sec. 215. G.S. 70-16 is amended by deleting the last sentence of the first paragraph.

Sec. 216. G.S. 143-53 is amended as follows:

(1) by deleting the words "and regulations" each time they appear in the section, including the catch line;

(2) by rewriting that part of the section preceding the colon to read: "The Secretary of Administration may adopt rules governing the following";

(3) by deleting subdivision (12); and

(4) by deleting the second sentence of the second paragraph of the section.

Sec. 217. G.S. 143-58, 143-60, 143-64.5, and 143-64.22 are each amended by deleting the words "and regulations" each place they appear, including the catch lines.

Sec. 218. G.S. 143-64.2 is amended by rewriting subsections (b) and (c) to read:

"(b) The State agency for surplus property may adopt rules necessary to carry out this Article.

(c) The State agency for surplus property may appoint advisory boards or committees as needed to ensure that this Article and the rules adopted under this Article are consistent with federal law concerning surplus property."

Sec. 219. G.S. 143-137(a) is amended by deleting the words "and Regulations" and "and regulations" from the subsection.

Sec. 220. G.S. 143-341 is amended as follows:

(1) by deleting the words "and regulations" each place they appear;

(2) by deleting the words "or regulation" in the last sentence of (8)i.7.;

(3) by deleting the phrase ", pursuant to Chapter 150A of the General Statutes," in the first sentence of (8)i.7a.; and

(4) by deleting the phrase ", regulations," in (8)k.

Sec. 221. G.S. 143B-14 is amended by deleting the reference "150A-11(c)(4)" and substituting the reference "150B-11(3)".

Sec. 222. G.S. 58-262.20 is repealed.

Sec. 223. G.S. 143-143.12(d) is rewritten to read:

"(d) The Board may adopt rules to assure satisfaction of claims."

Sec. 224. G.S. 143-151.8(2) and (3), 143-151.19(a), and 143-151.20(b) are amended by deleting the words "and regulations".

Sec. 225. G.S. 143-151.8(4) and 143-151.13(d) are amended by deleting the word "regulations" and substituting the word "rules".

Sec. 226. G.S. 143-151.12 is amended by deleting subdivision (1) and substituting the following subdivisions to read:

"(1) Adopt rules necessary to administer this Article;

(1a) Require State agencies, local inspection departments, and local governing bodies to submit reports and information about the employment, education, and training of Code-enforcement officials;".

Sec. 227. G.S. 143-151.13 is amended as follows:

(1) by deleting the phrase "The Board shall provide by regulation that on and after July 1, 1979, no" in the first sentence of subsection (a) and substituting the word "No"; and

(2) by deleting the words "by regulation" in subsections (b) and (d).

Sec. 228. G.S. 143-151.17(c) is rewritten to read:

"(c) A denial, suspension, or revocation of a certificate issued under this Article shall be made in accordance with Chapter 150B of the General Statutes."

Sec. 229. G.S. 143-151.19(b) is rewritten to read:

"(b) The Board shall make copies of this Article and the rules adopted under this Article available to the public at a price determined by the Board."

Sec. 230. G.S. 90A-22(b) is amended by deleting the words "before the Board on its" and substituting the words "on the Board's".

Sec. 231. G.S. 90A-30(b) is amended by deleting the phrase "G.S. 150A-23 through G.S. 150A-52" and substituting the phrase "Articles 3 and 4 of Chapter 150B of the General Statutes".

Sec. 232. G.S. 110-88 is amended by deleting the words "and regulations" in subdivisions (5) and (6)."

Sec. 233. G.S. 110-90 is amended in the first sentence by deleting the phrase ", rules and regulations" and substituting the words "and rules".

Sec. 234. G.S. 110-91 is amended as follows:

(1) by deleting the words "and regulations to be" in subdivision (6); and

(2) by deleting the words "and regulations" in subdivision (7).

Sec. 235. G.S. 110-102.2 is amended as follows:

(1) by rewriting the part of the section that precedes the colon to read: "For failure to comply with this Article, the Secretary may"; and

(2) by deleting the last sentence of the section.

Sec. 236. G.S. 110-103.1(c) is rewritten to read:

"(c) A person who is assessed a penalty shall be notified of the penalty by registered or certified mail. The notice shall state the reasons for the penalty. If a person fails to pay a penalty, the Secretary shall refer the matter to the Attorney General for collection."

Sec. 237. G.S. 110-104 is amended in the second sentence by deleting the words "and regulations".

Sec. 238. G.S. 110-105(a) is amended by deleting the phrase ", rules and regulations" each time it appears and substituting the words "and rules".

Sec. 239. G.S. 131C-4(b) and (c) are amended by deleting the phrase "remedies under Article 3 of" and substituting the words "and judicial remedies under".

Sec. 240. G.S. 131C-21.1(c) is rewritten to read:

"(c) After notice and an opportunity for a hearing in accordance with Chapter 150B of the General Statutes, the Secretary may order a professional fund-raising counsel or a professional solicitor who has charged an unreasonable and excessive fund-raising fee to pay to the charitable organization that was charged the unreasonable and excessive fee the difference between the fee charged and a reasonable and nonexcessive fee."

Sec. 241. G.S. 131D-2(d) is amended in the last sentence by deleting the word "regulations" and substituting the word "rules".

Sec. 242. G.S. 131D-3(2) and 131D-4(2) are amended by changing the comma following the reference "150A" to a period and deleting the remainder of the subdivisions.

Sec. 243. G.S. 131D-10.9 is amended by rewriting the catch line to read: "*Administrative and judicial review.*"

Sec. 244. G.S. 143B-181.1(c) is rewritten to read:

"(c) The Secretary of Human Resources shall adopt rules to implement this Part and Title 42, Chapter 35, of the United States Code, entitled Programs for Older Americans."

Sec. 245. G.S. 122C-404(h) is amended by deleting the words "ordinance or".

Sec. 246. G.S. 122C-408(b) is amended in the second sentence by deleting the words "ordinance or regulation" and substituting the word "rule".

Sec. 247. G.S. 130A-22(g)(2) is amended by deleting the phrase "decision as provided in G.S. 150A-36 of the Administrative Procedure Act" and substituting the phrase "final agency decision".

Sec. 248. G.S. 130A-24 is amended as follows:

(1) by deleting the words "interpretation and" in the first sentence of subsections (a) and (b); and

(2) by deleting the last two sentences of subsection (d) and substituting the following sentence to read:

"The scope of review in district court shall be the same as in G.S. 150B-51."

Sec. 249. G.S. 130A-293(c) is amended in the second sentence by deleting the phrase "in accordance with Article 2 of Chapter 150A of the General Statutes".

Sec. 250. G.S. 130A-294 is amended by deleting the last two sentences of subsections (d) and (f).

Sec. 251. G.S. 131E-125 is amended as follows:

(1) by deleting the word "Such" in the first sentence of the second paragraph of subsection (a) and substituting the word "A";

(2) by deleting the words "shall give written notice to the Department requesting a hearing" in the second sentence of the second paragraph of subsections (a) and (b) and substituting the words "files a petition for a contested case"; and

(3) by deleting the third sentence of the second paragraph of subsections (a) and (b).

Sec. 252. G.S. 131E-126 is amended as follows:

(1) by rewriting subsection (c) to read:

"(c) A facility may contest a penalty by filing a petition for a contested case under Chapter 150B of the General Statutes.";

(2) by deleting the words "requested an administrative hearing" in (d)(1) and (d)(2) and substituting the words "filed a petition for a contested case"; and

(3) by deleting the phrase "decision as provided in G.S. 150A-36" in (d)(2) and substituting the words "final agency decision".

Sec. 253. G.S. 131E-212 is amended as follows:

(1) by designating the first paragraph of the section as subsection (a);

(2) by deleting the word "subsection" in the second sentence of the section and substituting the word "section"; and

(3) by deleting the phrase "after holding required public hearings and complying with the other procedural requirements of Chapter 150A of the General Statutes," in the first sentence of subsection (b).

Sec. 254. Article 6A of Chapter 143 of the General Statutes is amended by rewriting the heading to that Article to read:

"Rules of Conduct; Traffic Laws for Institutions."

Sec. 255. G.S. 143-116.6 is amended as follows:

(1) by rewriting the catch line to the section to read:

"*Rules concerning conduct; violation.*";

(2) by deleting the phrase ", or his designee, may promulgate regulations" in the first sentence of subsection (a) and substituting the words "may adopt rules";

(3) by rewriting the second sentence of subsection (a) to read:

"Rules adopted under this section shall be consistent with G.S. 14-132."; and

(4) by deleting the word "ordinances" and the words "regulations or ordinances" and substituting the word "rules".

Sec. 256. G.S. 143-116.7 is amended as follows:

(1) by deleting the words "promulgate regulations" in the first sentence of subsection (b) and substituting the words "adopt rules";

(2) by deleting the word "regulation" in subsections (c), (d), (f), and (g) and substituting the word "rule";

(3) by deleting the word "Regulations" in subsection (e) and substituting the word "Rules"; and

(4) by deleting the word "fines" in subsection (h) and substituting the words "civil penalties".

Sec. 257. G.S. 143-127.6 is rewritten to read:

"§ *143-127.6. Administrative and judicial review.*--Chapter 150B of the General Statutes governs administrative and judicial review of a decision under this Article by the director of a facility."

Sec. 258. G.S. 74-24.5 is amended by deleting the last sentence of the section and substituting the following sentences to read:

"A record shall be kept of a public hearing held under this section. The decision of the Commissioner is considered a final agency decision for purposes of judicial review."

Sec. 259. G.S. 74-24.10 is rewritten to read:

"§ *74-24.10. Administrative and judicial review of decisions on mine safety.*--(a) An operator to whom a notice or order is issued under G.S. 74-24.8 and G.S. 74-24.9 may contest the notice or order by filing a petition for a contested case under G.S. 150B-23 within 30 days after receiving the notice or order. An operator who files a petition for a contested case shall send a copy of the petition to all affected miners or to their representative, if any, when the petition is filed. Judicial review of a decision by the Commissioner in a contested case is available under Article 4 of Chapter 150B of the General Statutes.

(b) A notice or order, except an order issued under G.S. 74-24.8 (a), shall be stayed while it is under administrative or judicial review."

Sec. 260. G.S. 74-24.11 is repealed.

Sec. 261. G.S. 74-24.15 is amended as follows:

(1) by deleting the fourth, fifth, sixth, and seventh sentences of subsection (c); and

(2) by rewriting the next to last sentence in subsection (c) to read:

"An order issued by the Commissioner under this subsection is subject to administrative and judicial review in accordance with Chapter 150B of the General Statutes."

Sec. 262. G.S. 95-25.19 is rewritten to read:

"§ *95-25.19. Rules.*--The Commissioner may adopt rules needed to implement this Article."

Sec. 263. G.S. 95-69.17 is rewritten to read:

"§ *95-69.17. Administrative and judicial review of decisions.*--(a) A final decision to suspend or revoke an inspector's commission or inspection certificate shall be made in accordance with Chapter 150B of the General Statutes.

(b) A final decision to deny an application for a certificate of competency or to refuse to issue or renew an inspection certificate shall be made in accordance with Chapter 150B of the General Statutes. In a contested case under this subsection, the decision of the Board or Director shall not be stayed pending administrative review.

(c) Article 4 of Chapter 150B of the General Statutes governs judicial review of a final decision in a contested case."

Sec. 264. G.S. 95-123 is amended as follows:

(1) by rewriting the second sentence of the section to read:

"The order shall be sent to the affected operator by certified mail and shall become final unless the operator contests the order by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the order."; and

(2) by rewriting the last sentence of the section to read:

"Judicial review of a final decision under this section may be obtained under Article 4 of Chapter 150B of the General Statutes."

Sec. 265. G.S. 95-141 is amended in the first sentence by deleting the phrase "Chapter 150A as amended, of the General Statutes, the same being entitled: 'Judicial Review of Decisions of Certain Administrative Agencies.'" and substituting the phrase "Article 4 of Chapter 150B of the General Statutes."

Sec. 266. G.S. 143-215.3(a)(1b), 143-215.3B(b), and 143B-289.3(c) are each amended by deleting the word "Procedures" and substituting the word "Procedure".

Sec. 267. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1208 **CHAPTER 828**

AN ACT TO AMEND CHAPTER 50B BY CLARIFYING THE DEFINITION OF BODILY INJURY FOR CHILDREN IN DOMESTIC VIOLENCE CASES, BY ALLOWING THE FILING OF A MOTION IN CERTAIN EXISTING ACTIONS FOR DOMESTIC VIOLENCE RELIEF, AND BY REQUIRING NOTICE OF HEARINGS FOR EMERGENCY RELIEF.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50B-1 reads as rewritten:

"§ *50B-1. Domestic violence; definition.*--(a) Domestic violence means the ~~occurrence~~ commission of one or more of the following acts ~~between past or present spouses or between persons of the opposite sex who are living together or have lived together as if married, or between one of such persons and a minor child who is in the custody of or residing with the other person:~~ upon an aggrieved party by a current or former spouse of the aggrieved party or by a person of the opposite sex with whom the aggrieved party lives or has lived as if married:

(1) Attempting to cause bodily injury, or intentionally causing bodily injury; or

(2) Placing ~~another person~~ the aggrieved party in fear of imminent serious bodily injury by the threat of force.

(b) Emergency relief.-- A party may move the court for emergency relief if he or she believes there is a danger of serious and immediate injury to himself or herself or a minor child. A hearing on a motion for emergency relief, where no ex parte order is entered, shall be held after 5 days notice of the hearing to the other party or after 5 days from the date of service of process on the other party, whichever occurs first, provided, however, that no hearing shall be required if the service of process is not completed on the other party.

(c) Ex parte orders.-- Prior to the hearing, if it clearly appears to the court from specific facts shown, that there is a danger of acts of domestic violence against the aggrieved party or a minor child, the court may enter such orders as it deems necessary to protect the

aggrieved party or minor children from such acts. Upon the issuance of an ex parte order under this subsection, a hearing shall be held within 10 days from the date of issuance of the order or within 7 days from the date of service of process on the other party, whichever occurs later."

Sec. 3. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1478 **CHAPTER 829**

AN ACT TO URGE THIRD-PARTY PAYORS OF HEALTH BENEFITS TO COVER DIABETES OUTPATIENT SELF-TREATMENT AND TO APPROPRIATE FUNDS TO THE DEPARTMENT OF INSURANCE TO REPORT ON COMPLIANCE.

Whereas, approximately 265,000 North Carolinians have Diabetes Mellitus, a severe chronic illness which has no cure at this time;

Whereas, Diabetes Mellitus is the third leading cause of death by disease, is the major cause of blindness in adults, and is a leading cause of kidney failure, stroke, and amputations in the U.S.;

Whereas, North Carolinians with diabetes are hospitalized 2.1 times more often than all nondiabetics as a group;

Whereas, diabetes accounts for ten percent (10%) of all hospital patient-days in this State and is a major factor in ten percent (10%) of all deaths by disease in North Carolina;

Whereas, diabetes must be treated on a daily basis, not by the physician, but by the patient himself;

Whereas, therapeutic approaches and technologies already exist which can substantially reduce the human and economic cost of diabetes;

Whereas, health insurance plans are designed to protect the individual from any serious financial consequences that arise from an illness;

Whereas, for North Carolinians with diabetes, insurance coverage is inconsistent from plan to plan, and in many instances is inadequate;

Whereas, inadequate insurance coverage has medical implications, as patients bearing too heavy a burden of payment are likely to cut costs where possible, with the resulting risk of hospitalization for acute hypo or hyperglycemia, or devastating long-term complications;

Whereas, the North Carolina Department of Insurance finds coverage for diabetes outpatient self-treatment education and coverage for necessary supplies for insulin administration and glucose monitoring to be both cost-effective and in the best interest of the health of the citizens of the State; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The General Assembly urges all third-party payors of health benefits in this State (including insurance companies, health maintenance organizations, and self-insured companies), to provide coverage for diabetes outpatient self-treatment education and coverage for necessary supplies for insulin administration and glucose monitoring in their standard comprehensive health plans, with the following stipulations:

(1) that any patient with diabetes should be insured for participation in a diabetes outpatient education program which meets the national standards of the National Diabetes Advisory Board, when such participation has been prescribed by a physician as part of that patient's treatment plan;

(2) that any diabetic patient requiring insulin should be insured for purchase of necessary diabetes monitoring and management supplies prescribed by a physician, including insulin, syringes, urine test strips for glucose/ketones, meter for self-monitoring blood glucose (SMBG), SMBG supplies (lancets, reagent strips), insulin infusion pump, pump supplies (infusion sets and syringes); and

(3) that this request be viewed as applying to all comprehensive health plans (including self-insured, self-funded plans and multiple employer trusts) which also provide coverage for prescription drugs, with co-payment after deductible to be the same as for other covered expenses.

Sec. 2. The North Carolina Department of Insurance shall report to the General Assembly by June 1, 1988, as to the level of compliance within the insurance and HMO industries with the request made in Section 1 of this act.

Sec. 3. This act shall become effective September 1, 1987.

In the General Assembly read three times and ratified this the 13th day of August, 1987.

H.B. 1515 **CHAPTER 830**

AN ACT TO APPROPRIATE FUNDS TO STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES FOR AID TO CERTAIN GOVERNMENTAL AND NONGOVERNMENTAL UNITS.

The General Assembly of North Carolina enacts:

PART I.-----INTRODUCTION

Requested by: Sen. Royall, Rep. Watkins

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

Sec. 1.1. This act shall be known as "The State Aid For Nonstate Agencies Act of 1987."

Requested by: Sen. Royall, Rep. Watkins

-----EXPENDITURES OF FUNDS IN RESERVES LIMITED

Sec. 1.2. All funds appropriated by this act into reserves may be expended only for the purposes for which the reserves were established.

PART II.-----CURRENT OPERATIONS/GENERAL FUND

Sec. 2. Appropriations from the General Fund of the State to State departments, institutions, and agencies for aid to certain governmental and nongovernmental units as enumerated are made for the biennium ending June 30, 1989, according to the following schedule:

General Fund	1987-88	1988-89
Judicial Department	367,450	389,360
Office of State Budget - State Aid	19,914,685	9,105,000
Department of State Auditor	5,934,865	5,934,865
Department of Public Education	8,661,797	10,861,797

Department of Justice	50,000	-
Department of Agriculture	230,014	230,014
Department of Insurance	200,000	200,000
Department of Administration	2,184,520	2,059,520
Department of Transportation		
01. Aeronautics	5,045,000	5,045,000
02. Aid to Railroads	100,000	100,000
Total Department of Transportation	5,145,000	5,145,000
Department of Natural Resources and Community Development	9,678,962	8,043,962
Department of Human Resources		
01. DHR - Administration and Support Program	1,543,563	1,253,563
02. Division of Health Services	26,212,081	25,409,994
03. Social Services	15,007,324	15,007,324
04. Social Services - State Aid to Non-State Agencies	4,714,318	4,778,322
05. Division of Services for the Blind	22,000	12,000
06. Division of Mental Health, Mental Retardation and Substance Abuse Services	132,865,821	136,105,679
07. Division of Facility Services	2,297,795	1,906,802
08. Division of Youth Services	13,626,226	13,626,226
09. State Aid, Local Programs (a) Inflationary Increases	1,422,089	2,750,379

(b) Salary Increases	6,115,660	6,115,660
Total Department of Human Resources	203,826,877	206,965,949
Department of Correction	75,000	75,000
Department of Commerce	10,583,922	3,630,660
Reserve for Biotechnology Center	6,360,200	6,360,200
Reserve for Microelectronics Center of North Carolina	18,453,600	14,155,896
Department of Cultural Resources	16,995,250	17,245,250
Department of Crime Control and Public Safety	761,800	556,000
University of North Carolina - Board of Governors		
01. Related Educational Programs	33,688,815	35,848,000
02. East Carolina University	105,000	55,000
03. Appalachian State University	35,000	35,000
04. Western Carolina University	250,000	250,000
05. Elizabeth City State University	150,000	150,000
Total University of North Carolina	34,228,815	36,338,000
Department of Community Colleges	381,650	381,650
GRAND TOTAL GENERAL FUND$	344,034,407$	327,678,123

PART III.-----CURRENT OPERATIONS/HIGHWAY FUND

Sec. 3. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation,

and for other purposes as enumerated, are made for the biennium ending June 30, 1989, according to the following schedule:

Highway Fund	1987-88	1988-89
Department of Transportation		
Highways		
.01 State Aid - Public Transportation	2,500,000	2,500,000
.02 f. State Aid to Municipalities	62,851,923	65,773,077
GRAND TOTAL HIGHWAY FUND	$ 65,351,923	$ 68,273,077

PART IV.-----CAPITAL APPROPRIATIONS/GENERAL FUND

Sec. 4. Appropriations are made from the General Fund to State departments, institutions, and agencies for aid to certain governmental and nongovernmental entities to provide for capital improvement projects according to the following schedule:

Department of Cultural Resources		
.01 Library Construction Grants	$ 1,250,000	$ 1,250,000
Department of Natural Resources and Community Development		
.01 Clean Water Revolving Loan and Grant Fund	5,700,000	15,800,000
Total Capital State Aid	$ 6,950,000	$ 17,050,000

PART V.-----ADDITIONAL CURRENT OPERATIONS APPROPRIATIONS/ GENERAL FUND

Sec. 5. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated, except for aid to certain governmental and nongovernmental units are made for the biennium ending June 30, 1989, according to the following schedule:

	1987-88	1988-89
Current Operations		
.01 Department of Cultural Resources	$ 200,000	$ -
.02 Department of Administration	125,000	-
.03 Office of State Budget - Reserve for Supercomputer Program	12,000,000	6,000,000
.04 Judicial Department	286,000	226,000
.05 Department of Justice	81,000	-
.06 Department of State Treasurer	275,000	-
.07 Department of Natural Resources and Community Development	187,917	-
.08 Department of Public Education	170,000	128,000
Total - Current Operations	$13,324,917	$6,354,000

These appropriations are in addition to those in Section 2 of Chapter 738 of the 1987 Session Laws.

PART VI.-----LOCAL DISCRETIONARY FUNDS

Sec. 6. Appropriations are made from the General Fund for the 1987-88 fiscal year, unless otherwise specified, to the grantees and for the purposes listed in this part.

H55 SHEEP-HARNEY LIBRARY BOOK FUNDS

Twenty thousand dollars ($20,000) to Elizabeth City-Pasquotank County Board of Education to purchase library books, reference materials, and equipment to replace library books and other contents destroyed by a fire at Sheep-Harney Elementary School.

H58 VIETNAM-KOREAN WAR MEMORIAL FUNDS

Three thousand dollars ($3,000) to The Exchange Club of Kinston, North Carolina, Inc., to be allocated to the Vietnam-Korean War Memorial Fund to build a monument at the C.S.S. Neuse and Richard Caswell Historical Site.

H59 AVERY-MITCHELL-YANCEY LIBRARY FUNDS

Twenty thousand dollars ($20,000) to the Avery-Mitchell-Yancey Regional Library System to help fund the expansion of their regional headquarters.

H60 RHODODENDRON FESTIVAL FUNDS

Five thousand dollars ($5,000) to the North Carolina Rhododendron Festival Association, Inc., to put on the Rhododendron Festival in Mitchell County.

H73 BRADSHAW FIRE AND RESCUE FUNDS

Fifteen thousand dollars ($15,000) to Bradshaw Volunteer Fire and Rescue, Inc., to build a new building to house fire and rescue equipment.

H121 PASQUOTANK ARTS FUNDS

Five thousand dollars ($5,000) to the Pasquotank Arts Council of Elizabeth City to refurbish the Sharber Building to house its gallery and other cultural programs.

H219 HERTFORD SENIOR CENTER ANNEX FUNDS

Five thousand dollars ($5,000) to Hertford County for the completion of the Hertford County Senior Center in Winton. No local matching funds are required for this appropriation.

H224 EASTERN REGIONAL JETPORT FUNDS

Three thousand dollars ($3,000) to the Lenior County Chamber of Commerce to provide funds to promote and develop the use of the Eastern Regional Jetport, located in Lenior County.

H242 SMALL FARM MARKETING FUNDS.

Two hundred thousand dollars ($200,000) to the North Carolina Association of Black Lawyers' Land Loss Prevention Project, Inc., to implement its Small Farm Horticultural Marketing Project, to assist in marketing horticultural products grown in rural North Carolina. No more than thirty-five percent (35%) of the funds appropriated may be used for administrative expenses. The North Carolina Association of Black Lawyers' Land Loss Prevention Project, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

H275 BELHAVEN VISITOR CENTER FUNDS

Twelve thousand dollars ($12,000) to the Town of Belhaven for renovations, landscaping, and parking facilities at the Belhaven Visitor

and Information Center and the Chamber of Commerce Office.

H276 LONG ACRE COMMUNITY BUILDING

Five thousand dollars ($5,000) to Beaufort County for capital costs of the Long Acre Community Building which serves as a meeting facility for the citizens of that community.

H304 "FROM THIS DAY FORWARD" FUNDS

Five thousand dollars ($5,000) to The Outdoor Theatre Fund Charitable Trust to produce the outdoor drama "From This Day Forward".

H312 MECKLENBURG SHELTER FUNDS

Fifteen thousand dollars ($15,000) to the United Family Services, Inc., for the operation of a domestic violence shelter known as The Shelter in Mecklenburg County.

H325 ECONO FORCE FUNDS

Ten thousand dollars ($10,000) to Catawba County Association for Special Education, Inc., known as Econo Force Industrial Services, to purchase and install an air conditioning system for its sheltered workshop facility to provide a more comfortable working environment for its clients, many of whom are mentally or physically challenged.

H334 JOHNSTON 4-H TRY FUNDS

Five thousand dollars ($5,000) to Johnston County for the Johnston County 4-H Development Fund, for the Johnston County 4-H TRY Program, which is designed to develop leadership qualities, build self-esteem, and motivate youth through a cooperative effort of the Agricultural Extension Service of North Carolina State University at Raleigh, public school personnel, and community leaders.

H348 ROCKINGHAM ARTS FUNDS

Five thousand dollars ($5,000) to the Rockingham County Arts Council, Inc., as a grant-in-aid to the council, to enable it to continue its work in promoting and developing the arts.

H380 PERQUIMANS BLANCHARD BLDG. FUNDS

Ten thousand dollars ($10,000) to the Perquimans County Board of Commissioners for renovation of the Blanchard building for use as a courtroom, Sheriff's offices, and a Dispatch office, provided local funds are raised by the Perquimans County Board of Commissioners

to match the State funds on a dollar-for-dollar basis.

H385 CONGREGATE MEALS PROGRAM FUNDS

Ten thousand dollars ($10,000) to the Alamance County Community Services Agency, Inc., for the Congregate Meals Program to provide meals for the needy.

H388 GARNER SENIOR CITIZENS FUNDS

Ten thousand dollars ($10,000) to the Town of Garner for services for senior citizens, and to develop a facility for senior citizens.

H392 DRY PONDS COMMUNITY CLUB FUNDS

Five thousand dollars ($5,000) to Dry Ponds Community Development Club to do additional grading, add a fence around the baseball field, and construct a walking track at the Dry Ponds Community Development Club. The facility is a public facility to be used by the entire community.

H393 BURKE ALCOHOL COUNCIL FUNDS

Five thousand dollars ($5,000) to the Burke County Council on Alcoholism, Inc., for operating expenses, in alcohol abuse prevention and treatment.

H417 MACON FRUIT GROWERS FUNDS

Twelve thousand dollars ($12,000) to the Town of Franklin for materials to run a water line to Macon County Fruit and Vegetable Growers Association, Inc.,'s plant, to assist in the operation of the Association's farmers market.

H419 OLD WILKES, INC., FUNDS

Twenty thousand dollars ($20,000) to Old Wilkes, Incorporated, for the Captain Robert Cleveland House Project to restore that historic site.

H426 MARTIN COUNTY COURTHOUSE FUNDS

Eighteen thousand dollars ($18,000) to the Town of Williamston to be used for the stabilization, restoration, and rehabilitation of the Old Martin County Courthouse.

H433 AFTER SCHOOL CARE FUNDS

Five thousand dollars ($5,000) to the Buncombe County Board of Education for the development and expansion of the After School Child Care Program, a service which allows children in grades

kindergarten through sixth to remain at school instead of going home alone.

H440 NORTHEASTERN TOURISM FUNDS

Four thousand dollars ($4,000) to The Murfreesboro Historical Association, Inc., to promote tourism in the northeastern area of the State and for restoration projects that would enhance tourism.

H442 SMITH-McDOWELL MUSEUM FUNDS

One thousand dollars ($1,000) to Western North Carolina Historical Association, Incorporated, for the Smith-McDowell Museum in Asheville, for the continued operation of its programs and services to the public in this region.

H447 BURKE COUNTY FAIR FUNDS

Fifteen thousand dollars ($15,000) to Burke County Fair, Inc., to purchase land for the Burke County Fair, Inc., a nonprofit corporation. The net proceeds of funds raised by the fair shall be distributed to local Ruritan Clubs and shall be used exclusively for charitable purposes.

H450 ONSLOW PHYS.-ED/BAND FUNDS

Twenty-eight thousand dollars ($28,000) to the Onslow County Board of Education for promotion of its high school physical education, athletic, and band programs. The Onslow County Board of Education shall allocate these funds to the high schools based on their average daily membership in grades 9 through 12. These funds shall be expended in the discretion of the high schools for their physical education, athletic, or band programs.

H467 CARTERET PHYS.-ED/BAND FUNDS

Twelve thousand dollars ($12,000) to the Carteret County Board of Education for promotion of its high school physical education, athletic, and band programs. The Carteret County Board of Education shall allocate these funds to the high schools based on their average daily membership in grades 9 through 12. The funds shall be expended in the discretion of the high schools for their physical education and athletic programs.

H472 EDGECOMBE RESCUE SQUAD FUNDS

Twelve thousand five hundred dollars ($12,500) to the Edgecombe County Rescue Squad, Incorporated, to help settle the amount of money owed on its station.

H499 LINCOLN WILDLIFE ORPHANAGE FUNDS

Five thousand dollars ($5,000) to the Lincoln Wildlife Orphanage, Incorporated, to assist in the caring of injured wildlife so that the animals may be returned to their natural habitats.

H500 MOUNT HOLLY RECREATION FUNDS

Seven thousand five hundred dollars ($7,500) to the City of Mount Holly for use by the recreation department to continue its services to the public and to purchase equipment.

H501 WRIGHT BROTHERS MUSEUM FUNDS

Seven thousand dollars ($7,000) to the First Flight Society, Incorporated, for a feasibility study for a project to build a new wing on the Wright Brothers Museum.

H506 TCI PARKING LOT FUNDS

Twelve thousand five hundred dollars ($12,500) to Tri-County Industries, Inc., to help defray the total cost needed to expand Tri-County Industries' parking area to make it more accessible to the handicapped individuals for whom it serves as a work-oriented rehabilitation center.

H511 WILSON OIC FUNDS

Five thousand dollars ($5,000) to Opportunities Industrialization Center of Wilson, Incorporated, for operating expenses for its public service projects.

H512 EDUCATIONAL SEARCH FUNDS

Five thousand dollars ($5,000) to Saint Augustine's College in Raleigh to the Educational Talent Search Project for operating expenses incurred in running the project, which is designed to encourage minority and other youths to continue their education.

H530 CONETOE VOLUNTEER FIRE COMPANY FUNDS

Twelve thousand five hundred dollars ($12,500) to Conetoe Volunteer Fire Company for the construction of a new fire station building.

H535 SOURWOOD FESTIVAL FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Black Mountain to promote the activities of the tenth annual Sourwood Festival which attracts tourists from many states and to finance three

or four world-class runners to attract more runners for its Sourwood Run.

H547 MADISON LIBRARY FUNDS

Five thousand dollars ($5,000) to the Rockingham County Public Library to be used by the Madison Branch Library for operating expenses, acquisitions, and capital costs.

H556 FAMILY SERVICE CENTER FUNDS

Five thousand dollars ($5,000) to the Family Services Center of Buncombe County, Inc., a private nonprofit United Way Agency which provides professional counseling to children, parents, couples, and the entire family, for capital improvements.

H557 WEAVERVILLE/LAKE LOUISE FUNDS

Five thousand dollars ($5,000) to the Town of Weaverville to complete renovations at Lake Louise, to redevelop it as a recreation site for the North Buncombe County Community.

H569 BETHLEHEM COMMUNITY CENTER FUNDS

Ten thousand dollars ($10,000) to the Bethlehem Community Center, Inc., to promote community service programs.

H570 ARTHRITIS PATIENT SERVICES FUNDS

Five thousand dollars ($5,000) to the Community Health Services of Mecklenburg and Union Counties, Inc., Arthritis Patient Services Division, a nonprofit United Way Agency, for general operating expenses and staff expansion to the underserved areas of Mecklenburg County.

H571 THE RELATIVES FUNDS-2

Ten thousand dollars ($10,000) to The Relatives, Inc., in Charlotte for operating expenses and the renovation of a family crisis intervention and counseling home.

H591 RUFFIN FIRE DEPT. FUNDS

Ten thousand dollars ($10,000) to the Ruffin Volunteer Fire Department, Inc., in Rockingham County for equipment.

H594 BUNCOMBE PROJECT FUNDS

Two thousand five hundred dollars ($2,500) to the Department of Natural Resources and Community Development, Division of Parks and Recreation, for the completion of a natural areas inventory of Buncombe County by the Natural Heritage Program.

H612 RICHMOND HILL LAW SCHOOL FUNDS

Fifteen thousand dollars ($15,000) to the Historic Richmond Hill Law School Commission for capital improvements to the Historic Richmond Hill Law School building in Yadkin County.

H621 STATESVILLE CITY HALL FUNDS

Thirty thousand dollars ($30,000) to the Department of Cultural Resources, Division of Archives and History, to be allocated to the City of Statesville for the rehabilitation of the Statesville City Hall.

H633 RED OAK CENTER FUNDS

Five thousand dollars ($5,000) to the Town of Red Oak for the special fund for the Red Oak Community Center established by Chapter 778, Section 1242 of the 1985 Session Laws. Interest accruing to the fund may be expended only for the maintenance and repair of the Red Oak Community Center. The principal of the fund may not be expended for any purpose.

H676 CATAWBA TRAINING GROUNDS FUNDS

Twenty thousand dollars ($20,000) to the Catawba County Firemens' Association, Incorporated, and the Catawba Rescue Squad, Inc., for phase one construction of a training tower that will enable fire and emergency personnel to maintain a viable fire and rescue service for the public safety of the citizens of Catawba County.

H706 CATAWBA PROJECTS FUNDS

Ten thousand dollars ($10,000) to Startown Volunteer Fire Department, Inc., in Newton for equipment and operating expenses.

Ten thousand dollars ($10,000) to The Adult Life Programs, Inc., for its day care program for needy adults.

Ten thousand dollars ($10,000) to The Family Guidance Center, Incorporated, of Catawba County to support its Parents' Aid program which teaches parenting skills for teenage parents and offers an intervention program to prevent child abuse.

H816 HISTORICAL WRIGHT TAVERN FUNDS

Ten thousand dollars ($10,000) to the Rockingham County Historical Society for the restoration of Wright Tavern.

H854 BURKE UNITED FUNDS

Five thousand dollars ($5,000) to Burke United Christian Ministries for a new soup kitchen to serve the poor and the homeless of Burke County.

H880 KNOTTS ISLAND COMMUNITY CTR. FUNDS

Five thousand dollars ($5,000) to Currituck County for construction of a community center at Knotts Island School to serve the educational, social, and recreational needs of the citizens of Knotts Island, an isolated rural community.

H881 HERTFORD ECONOMIC DEVELOPMENT FUNDS

Five thousand dollars ($5,000) to the Town of Hertford for a grant program for local merchants to improve their business facilities, in order to retain the historic architecture prevalent in Hertford and put new life in the depressed business area. The Hertford incentive grants shall require a 3 to 1 match from recipients and may not grant more than one thousand dollars ($1,000) to any one business.

H888 OLD DEPOT ASSOCIATION FUNDS

Two thousand five hundred dollars ($2,500) to the Old Depot Association, Incorporated, in Black Mountain to be used by the group officers and directors to help support and help advance its work in promoting the cultural resources of the area.

H900 CASTALIA BOUNDARY FUNDS

Five thousand dollars ($5,000) to the Town of Castalia in Nash County to defray the cost of establishing the town's boundaries.

H907 OPTIONS TO DOMESTIC VIOLENCE FUNDS

Two thousand dollars ($2,000) to Options to Domestic Violence and Sexual Assault, Inc., serving Beaufort, Hyde, Martin, Tyrrell, and Washington Counties, to enable Options' vital services for families in crisis to continue. These services include a shelter for battered women and their families, a 24-hour emergency crisis line, emergency transportation, counseling and advocacy, and education of the public regarding domestic violence, sexual assault, and child sex abuse.

H935 MEALS ON WHEELS FUNDS

One thousand dollars ($1,000) to the Meals on Wheels of Asheville and Buncombe County, Inc., to maintain current level of service, providing a daily hot nutritionally balanced meal to the elderly and handicapped individuals of Buncombe County who are homebound, living alone and cannot prepare at least one hot meal daily, and to serve the individuals on the waiting list.

H950 COUNCIL FOR CHILDREN FUNDS

Nine thousand dollars ($9,000) to The Council For Children, Inc., of Charlotte for a demonstration project entitled "Linking Families with Friends," which will identify children from birth to nine years, and their families, who are at-risk for crisis situations, provide volunteers to assist these families in identifying, prioritizing, and solving problems, create self-perpetrating, community-based support groups, and evaluate the effects of early identification and intervention.

H951 CABARRUS SENIOR CITIZENS FUNDS

Twenty thousand dollars ($20,000) to Cabarrus County for the development of a Senior Citizen Center, provided a like amount of non-State funds is raised by Cabarrus County to match the appropriation on a dollar-for-dollar basis.

H961 WCQS-FM FUNDS

Five thousand dollars ($5,000) to Western North Carolina Public Radio, Inc., a nonprofit community based corporation that operates Public Radio Station WCQS-FM, to help expand WCQS-FM's services to Madison and Transylvania counties and for purchase of equipment to record events outside its studios for later broadcast.

H986 VICTIMS ASSISTANCE PROGRAM FUNDS

Four thousand dollars ($4,000) to the Family & Children's Service of Greater Greensboro, Inc., to continue its Victim Assistance Program, which provides comprehensive services to victims of violent or intrusive crimes.

H987 BELL HOUSE FUNDS

Four thousand dollars ($4,000) to Bell House, Inc., a nonprofit Independent Living Facility for physically handicapped young adults, for operating expenses necessary for the continued success of Bell House.

H1009 ALEXANDER HANDYCRAFTS FUNDS

Ten thousand dollars ($10,000) to Alexander Handycrafts, an Adult Developmental Activity Program, which provides day services to 25 handicapped adults in Alexander County, for construction of a new facility to house the sheltered workshop, provided Alexander County makes a site available for this facility.

H1112 ALAMANCE HUMAN RELATIONS FUNDS

Four thousand dollars ($4,000) to Alamance County for the Alamance County Human Relations Council for operating expenses to enable the council to continue its work of cultivating better human relations among people of all races by offering training sessions, instruction, and counseling on career development.

H1125 MERCY HOSPITAL RESTORATION FUNDS

Five thousand dollars ($5,000) to the Mercy Hospital of Wilson, Incorporated, to assist in the restoration of historic Mercy Hospital in Wilson.

H1127 EBC CHILD CARE FUNDS

Five thousand dollars ($5,000) to the Ebenezer Baptist Church Child Care Center in Rocky Mount for operating expenses in providing day care to children in need of day care, regardless of their families' religious persuasion.

H1129 WILSON COMMUNITY FUNDS

Five thousand dollars ($5,000) to the Wilson Community Improvement Association, Incorporated, to support the community improvement programs of the Association.

H1131 AFRO-AMERICAN CENTER FUNDS

Five thousand dollars ($5,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center Inc., to assure the Center's ongoing development as a center for all people which promotes, presents, and preserves history and culture.

H1179 RALEIGH ARTS FOUNDATION FUNDS

Fifteen thousand five hundred dollars ($15,500) to Raleigh Arts Foundation, Inc., to serve as an umbrella organization to raise private sector funds to support arts organizations in the capital city area, to serve as a coordinator of the development activities of those nonprofit organizations, and to stimulate artistic growth.

H1263 EDUCATIONAL EXCELLENCE FUNDS

Twenty thousand dollars ($20,000) to Catawba County for the Council for Educational Excellence to use to establish and support its projects which include a pilot program in Catawba County to reduce the dropout rate in the county's three public school systems, the establishment of business-school partnerships to encourage students to seek higher achievement levels, and programs to increase community awareness of the need for excellent education.

H1306 WOMEN'S CENTER FUNDS

Six thousand dollars ($6,000) to The Women's Center of Raleigh for the development and expansion of the Center's information services.

H1307 CARTERET MARCHING BAND FUNDS

One thousand five hundred dollars ($1,500) to the Carteret County Board of Education to purchase uniforms for the East Carteret Marching Band.

One thousand five hundred dollars ($1,500) to the Carteret County Board of Education to purchase uniforms for the West Carteret Marching Band.

H1308 INTERNATIONAL HOUSE FUNDS

Six thousand dollars ($6,000) to Community College and International Ministry of Charlotte, Incorporated, known as International House, a nonprofit organization in Charlotte, to support its programs and services which help people from other countries to adjust to living not only in Charlotte, but also anywhere in the United States.

H1309 MINORITY BUSINESS COUNCIL FUNDS

Five thousand dollars ($5,000) to the Eastern North Carolina Business Council of Rocky Mount for operating expenses of its public service programs.

H1313 UNITED ARTS COUNCIL FUNDS

Twelve thousand dollars ($12,000) to the United Arts Council of Greensboro, Inc., to produce a multi-media arts event highlighting all the arts as well as documenting the growth and impact of the arts both locally and statewide for the Council's 25th Anniversary. This appropriation must be matched on a dollar-for-dollar basis.

H1314 UNITED SERVICES FOR OLDER ADULTS FUNDS

Fourteen thousand dollars ($14,000) to the United Services for Older Adults, Inc., of Greensboro to purchase equipment to support expanded activities in its new facility, to provide one or more computer terminals to give older adults better access to the full array of services and opportunities for them in Guilford County, and to expand the agency's publication, the SENIOR RECORD, to inform older adults of the new Senior Center's expanded services and resources.

H1315 GREENSBORO WOMAN'S CLUB FUNDS

Three thousand dollars ($3,000) to the Greensboro Woman's Club, Inc., for repair and renovation to the Club's historical building.

H1318 SWANSBORO BASEBALL FUNDS

Three thousand dollars ($3,000) to the Town of Swansboro for the Swansboro Baseball-Softball Association, a community supported organization, to purchase equipment necessary to improve the quality of its baseball-softball field.

H1319 ANGOLA BALL FIELD FUNDS

Three thousand dollars ($3,000) to the Angola Community Association to construct a ball field and basketball court and to purchase playground equipment for the children in the Angola Community.

H1320 SWANSBORO FIRE DEP'T FUNDS

Eight thousand dollars ($8,000) to the Swansboro Volunteer Fire Department to purchase equipment necessary to carry out the functions of the department's hazardous material team.

H1321 BEAUFORT HISTORICAL FUNDS

Twelve thousand dollars ($12,000) to the Beaufort Historical Association, Inc., to purchase a security system, to repair its roof, and to complete a historic survey.

H1323 FAYETTEVILLE AREA FUNDS-1

Five thousand dollars ($5,000) to the Orange Street School Restoration and Historical Association, Inc., to restore and renovate the Old Orange Street School in Fayetteville for use as a museum, art center, or other cultural center.

Five thousand dollars ($5,000) to Operation Sickle Cell, Incorporated, of Cumberland County for operating expenses.

Two thousand five hundred dollars ($2,500) to the Spring Lake Community Center Foundation, Inc., of Cumberland County for capital improvements to the Spring Lake Civic Center.

Two thousand five hundred dollars ($2,500) to the Hollywood Heights Community Club, Incorporated, to support the Club's community service programs.

Five thousand dollars ($5,000) to the City of Fayetteville to provide transportation for senior citizens.

Two thousand five hundred dollars ($2,500) to the Board of Governors of The University of North Carolina to provide funds for the Continuing Education Center at Fayetteville State University.

Two thousand five hundred dollars ($2,500) to the Marlboro Improvement Association of Cumberland County to support the Association's community service programs.

Two thousand five hundred dollars ($2,500) to the City of Fayetteville Department of Human Services for the Martin Luther King, Jr., celebration.

H1324 FAYETTEVILLE AREA FUNDS-2

Five thousand dollars ($5,000) to the Orange Street School Restoration and Historical Association, Inc., to restore and renovate the Old Orange Street School in Fayetteville for use as a museum, art center, or other cultural center.

Five thousand dollars ($5,000) to Operation Sickle Cell, Incorporated, of Cumberland County for operating expenses.

Five thousand dollars ($5,000) to the Spring Lake Community Center Foundation, Inc., of Cumberland County, a youth development program, for capital improvements to the Spring Lake Civic Center.

Two thousand five hundred dollars ($2,500) to the Hollywood Heights Community Club, Incorporated, to assist in the construction of a community building.

Five thousand dollars ($5,000) to the City of Fayetteville to provide transportation for senior citizens.

Two thousand five hundred dollars ($2,500) to the Board of Governors of The University of North Carolina to provide funds for the 3 R's Program at Fayetteville State University.

Two thousand five hundred dollars ($2,500) to Stedman-Wade Health Services, Inc., for the Cumberland County Council on Adolescent Pregnancy to support its public service programs.

Two thousand five hundred dollars ($2,500) to the Marlboro Improvement Association of Cumberland County to support the Association's community service programs.

Five thousand dollars ($5,000) to the Spring Lake Life Line Center, Inc., to support its public service programs.

Two thousand five hundred dollars ($2,500) to the City of Fayetteville for the Human Relations Council to continue its work of improving human relations among all people.

Two thousand five hundred dollars ($2,500) to the Town of Hope Mills for the Hope Mills law enforcement facility.

H1326 BURKE SENIOR CENTER FUNDS

Five thousand dollars ($5,000) to the Department of Community Colleges to be used by the Western Piedmont Community College for capital improvements to the Morganton/Burke Senior Center.

H1327 BEAUFORT POLICE RADIO FUNDS

Five thousand dollars ($5,000) to the Town of Beaufort to purchase a radio tower and equipment necessary for the Beaufort Police Department to carry out emergency communication.

H1328 CARTERET HISTORICAL SOCIETY FUNDS

Three thousand dollars ($3,000) to the Carteret County Historical Society, Inc., for operating expenses of its projects that are of historical interest or public service to the citizens of Carteret County.

H1329 CARTERET SENIOR CENTER FUNDS

Three thousand dollars ($3,000) to the Carteret Community Action, Incorporated, of Beaufort, for floor repairs at the Carteret County Senior Center in Morehead City.

H1333 YOUTH CARE/SAFE PLACE FUNDS

Three thousand dollars ($3,000) to Youth Care, Inc., a private nonprofit agency in Greensboro, to fund "Safe Place", a program which enlists the help of high visibility businesses in the community to become a "safe place" for children to go in a crisis situation.

H1335 STONEVILLE PARK FUNDS

Five thousand dollars ($5,000) to the Town of Stoneville to provide additional recreation facilities at Stoneville Memorial Park, including a walking track with rest areas and benches and a basketball court.

H1336 CAVENESS HOUSE FUNDS

One thousand five hundred dollars ($1,500) to the Historic Preservation Foundation of North Carolina, Inc., to assist in the acquisition and restoration of the Dr. Z. M. Caveness House in Raleigh.

H1340 BEAUFORT COUNTY MUSEUM FUNDS

Nineteen thousand dollars ($19,000) to the Greater Washington Chamber of Commerce, Inc., to restore the old city hall building, which is a landmark and which will serve as the Beaufort County Museum, housing collections and exhibitions that depict the lives of significant people associated with the Town of Washington or the County of Beaufort and historic events that occurred within the area.

H1347 GRAHAM COUNTY COMM. CENTER FUNDS

Seven thousand five hundred dollars ($7,500) to Graham County for the Graham County Community Center Project, which will serve the needs of the five communities north of Robbinsville in Graham County.

H1348 CASHIERS CHILD DEVELOPMENT FUNDS

Ten thousand dollars ($10,000) to Southwestern Child Development Commission, Inc., for the Child Development Center in the Cashiers Community in Jackson County, to provide funds for the completion of the center, which, when complete, will be able to care for 43 children.

H1349 ALZHEIMER'S VICTIMS ASSIST. FUNDS

Ten thousand dollars ($10,000) to Alzheimer's Disease and Related Disorders Association, Inc.,-Western North Carolina Chapter to provide support and services to the families of Alzheimer's disease victims.

H1351 GATES COUNTY HISTORICAL SOCIETY FUNDS

Ten thousand dollars ($10,000) to Gates County for the Gates County Historical Society to continue the restoration and improvement of the old Gates County Courthouse and Annex. These funds may be used as matching funds for the Gates County Library purposes.

H1362 HOT SPRINGS MUNICIPAL BUILDING FUNDS

Forty thousand dollars ($40,000) to the Town of Hot Springs to be used toward the construction of a municipal building in Hot Springs.

H1363 CANTON COMM. CENTER FUNDS

Twenty thousand dollars ($20,000) to the Town of Canton in Haywood County for the Community Center, which will serve the cultural, social, and civic needs of the citizens of Canton and of Haywood County.

H1364 HOT SPRINGS TOURISM FUNDS

Five thousand dollars ($5,000) to the Town of Hot Springs for funds to promote and develop tourism in Hot Springs to the benefit of the economy in Hot Springs and the surrounding area and of those who will, as a result of the development of tourism, visit Hot Springs in the future.

H1366 WAYNESVILLE ELDERLY HOUSING FUNDS

Twenty-seven thousand five hundred dollars ($27,500) to the Waynesville Housing Authority, Haywood County for air-conditioning units for the Towers Apartments, which provide housing for the elderly.

H1367 CHARLOTTE SHAKESPEARE COMPANY FUNDS

Five thousand dollars ($5,000) to The Charlotte Shakespeare Company to continue to provide professional theater to the citizens of North Carolina.

H1368 NORTH STATE LAW OFFICERS FUNDS

Eight thousand five hundred dollars ($8,500) to the North State Law Enforcement Officers Association, Piedmont Chapter in Greensboro, for operating expenses in its public service projects and in enhancing law enforcement.

H1369 GREENSBORO NAACP TUTORIAL FUNDS

Five thousand dollars ($5,000) to The National Association for the Advancement of Colored People, Greensboro Chapter to help support its tutorial programs that benefit all disadvantaged youths throughout the Greensboro area.

H1370 YOUTH SERVICES FUNDS

Five thousand dollars ($5,000) to the Youth Services Bureau of Greensboro, Inc., to help fund its best friend program for disadvantaged, troubled youths.

H1371 ONGOING NATURAL SETTINGS, INC., FUNDS

Five thousand dollars ($5,000) to the Vigorous Interventions In Ongoing Natural Settings, Inc., known as VISIONS, Inc., an adult day care center outreach program for frail, low-income and elderly adults, which provides day care and transportation/escort services, nutritional programs, and recreational programs for local children, alcohol and drug abuse prevention counseling, and alcohol and drug abuse treatment.

H1374 NAGS HEAD WOODS PRESERVE FUNDS

Five thousand dollars ($5,000) to The Nature Conservancy of North Carolina, Inc., for the Nags Head Woods Ecological Preserve, for the operating expenses of the Preserve and the costs of expanding its programs aimed at protecting Nags Head Woods, a maritime forest characterized by unique biotic associations, and promoting the area's usefulness as a site for scientific, educational, and aesthetic purposes.

H1375 IREDELL ADULT LEARNING CTR. FUNDS

Ten thousand dollars ($10,000) to the Iredell Developmental Day Center, Inc., to enlarge its Adult Learning Center facility, in Troutman, and to expand its services to individuals 18 and over who have been labeled severely or profoundly handicapped.

H1376 ASHEVILLE-BUNCOMBE HOMELESS FUNDS

Fifteen thousand dollars ($15,000) to Asheville-Buncombe Community Christian Ministry, Inc., for operating expenses and expenses associated with expanding its shelter services for the chronically homeless in the Asheville Buncombe County area.

H1377 ANITA STROUD FOUNDATION FUNDS

Four thousand dollars ($4,000) to the Anita Stroud Foundation, Inc., a nonprofit organization in Charlotte, for operating its Youth Developmental Center, which provides a tutorial enrichment program for children in grades one through seven.

H1378 FAMILY HOUSING SERVICES FUNDS

Three thousand dollars ($3,000) to the Family Housing Services, Inc., a nonprofit organization that serves the Charlotte area, for operating expenses necessary to continue its services to low and moderate income, responsible families, faced with a housing crisis situation, particularly mortgage foreclosure.

H1379 BETHLEHEM CTR. YOUTH FUNDS

Four thousand dollars ($4,000) to The Bethlehem Center of Charlotte, Inc., a nonprofit organization, for its Youth Employment Program which provides the opportunity for low-income, minority youths between the ages of 14 to 24 to obtain jobs in the private sector.

H1392 SHERILLS FORD LIBRARY FUNDS

Twenty thousand dollars ($20,000) to the Catawba County Public Library for the Sherills Ford Branch Library, to enable the library to meet the needs of a rapidly expanding reading population.

H1393 HOPE HARBOR FUNDS

Five thousand dollars ($5,000) to Hope Harbor Home, Inc., for capital improvements, to enable the home to continue serving battered women and children.

H1395 BENTONVILLE FIRE FUNDS

Eight thousand dollars ($8,000) to the Bentonville Volunteer Fire Department, Inc., for capital improvements.

H1396 JOHNSTON COUNCIL ON AGING FUNDS

Five thousand dollars ($5,000) to the Johnston County Council on Aging, Inc., a nonprofit organization that serves the elderly in Johnston County, for capital improvements.

H1398 ROANOKE DEVELOPMENTAL CTR. FUNDS

Three thousand dollars ($3,000) to the Roanoke Developmental Center, Inc., to do a better job serving the handicapped citizens of Plymouth, North Carolina, and the Washington County area.

H1399 TOPSAIL HIGH BAND FUNDS

Two thousand dollars ($2,000) to Pender County Board of Education for junior and senior marching band uniforms for Topsail High School.

H1400 OLD BALDY LIGHTHOUSE FUNDS

Four thousand dollars ($4,000) to Old Baldy Foundation, Inc., Brunswick County, for an archaeological survey and for architectural preservation of Old Baldy Lighthouse.

H1401 BRUNSWICK LITERACY FUNDS

Two thousand dollars ($2,000) to the Brunswick County Literacy Council, Inc., for publicity and educational materials to combat illiteracy.

H1402 WRIGHTSBORO FIRE DEPT. FUNDS

Three thousand dollars ($3,000) to the Wrightsboro Volunteer Fire Department, Inc., in New Hanover County for equipment for the volunteer fire department.

H1403 COASTAL RECREATION FUNDS

Two thousand dollars ($2,000) to Coastal Recreations, Inc., for capital improvements, to enable Coastal Recreations to continue to provide public services that promote and develop coastal recreation industries.

H1404 OYSTER FESTIVAL FUNDS

Four thousand dollars ($4,000) to the South Brunswick Islands Chamber of Commerce for the North Carolina Oyster Festival, for promotion of the festival.

H1405 LELAND LIBRARY FUNDS

Two thousand dollars ($2,000) to the Brunswick County Library for the Leland Friends of the Library, for capital improvements to the Leland Library.

H1411 NATIONAL TOUR ASSOC. FUNDS

Five thousand dollars ($5,000) to the Travel Council of North Carolina, Inc., for the marketing and promotion of North Carolina attractions and destination points prior to and at the Spring Exchange of the National Tour Association in the host city of Charlotte during April of 1989.

H1412 CAMP CAREFREE FUNDS

Five thousand dollars ($5,000) to Camp Carefree, Inc., to provide a camping experience for children who have leukemia or another form of cancer, cystic fibrosis, or other chronic diseases or disabilities.

H1414 ANSON LIBRARY FUNDS

Two thousand dollars ($2,000) to the Anson County Public Library for the purchase of books and other library services and for operating expenses and equipment.

H1415 MONTGOMERY LIBRARY FUNDS

Three thousand dollars ($3,000) to the Montgomery County Public Library for the purchase of books and other library services and for operating expenses and equipment.

H1416 TROY PARK FUNDS

Three thousand five hundred dollars ($3,500) to the Town of Troy for capital expenses and the purchase of equipment for a park and for capital and operating expenses for the senior citizens center at the park. The funds may be divided between the park expenses and the senior citizens center expenses in the discretion of the town's governing board.

H1417 FAISON CENTER FUNDS

Five thousand dollars ($5,000) to Anson County for the Faison Community Center, Inc., for capital and operating expenses.

H1418 ANSON FIREMEN'S FUNDS

Ten thousand dollars ($10,000) to Anson County for the Anson County Firemen's Association to be distributed equally among the volunteer fire departments in Anson County for operating expenses and equipment.

H1419 MONTGOMERY FIREMEN FUNDS

Ten thousand dollars ($10,000) to Montgomery County for the Montgomery County Fire Commission to be used for operating expenses and equipment.

H1422 KIZITO PROJECT FUNDS

Five thousand dollars ($5,000) to the Kizito Project, Incorporated, to assist with operating expenses of its youth employment programs and its tutorial program.

H1424 DATA PROCESSING EQUIPM'T 17A DIST. FUNDS

Fifteen thousand dollars ($15,000) to the Judicial Department to purchase data processing equipment for the district attorney's office in the 17A prosecutorial district.

H1425 GRAHAM FIRE STATION FUNDS

Five thousand dollars ($5,000) to the City of Graham to purchase land to be used as a future site for a fire substation south of Interstate 85 in Graham and to purchase additional fire equipment.

H1427 DURHAM CHILD VICTIM FUNDS

Fifteen thousand dollars ($15,000) to the Young Women's Christian Association of Durham, N.C., Inc., for child victim services and for expansion of after school care services.

H1428 HAYTI DEVELOPMENT FUNDS

Ten thousand dollars ($10,000) to Hayti Development Corporation of Durham for an economic development initiative for economically distressed inner city neighborhoods.

H1429 DURHAM DAY CARE FUNDS

Ten thousand dollars ($10,000) to the Durham Day Care Council, Inc., for technical assistance services to day care providers to enable quality day care in Durham County to develop and expand.

H1431 GRAHAM COUNTY ACTIVITY BUS FUNDS

Nine thousand dollars ($9,000) to the Graham County Board of Education for an activity bus that will be used by all the schools in the

system.

H1432 BRASSTOWN FIRE DEPT. FUNDS

Four thousand dollars ($4,000) to the Brasstown Fire Department in Clay County for equipment, to enable the Department to qualify for rating.

H1433 FOURTH OF JULY FESTIVAL FUNDS

Four thousand dollars ($4,000) to the City of Southport, Brunswick County, for the annual North Carolina Fourth of July Festival.

H1434 BROAD RIVER GENEALOGICAL FUNDS

One thousand dollars ($1,000) to the Broad River Genealogical Society, Cleveland County, for operating expenses to enable the Society to continue its work of documenting the history of the people of Cleveland County.

H1435 RUTHERFORD ABUSE PREVENTION FUNDS

Five thousand dollars ($5,000) to Prevention of Abuse in the Home, Inc., for operating expenses incurred in providing services for the prevention of abuse in the home.

H1436 RUTHERFORD ATHLETIC PROGRAMS

Eleven thousand dollars ($11,000) to the Rutherford County Board of Education for athletic programs in the high schools.

H1437 RUTHERFORD ARTS FUNDS

Five thousand dollars ($5,000) to the Rutherford County Arts Council, Inc., for operating expenses to enable the Council to continue promoting and developing the arts for all the citizens of Rutherford County.

H1438 RUTHERFORD ECON. DEV. FUNDS

Five thousand dollars ($5,000) to Rutherford County for the Rutherford County Economic Development Commission, to enable the Commission to develop and print economic development brochures, which will promote the economic development of Rutherford County, to the benefit of all its citizens.

H1439 POLK COUNTY JAIL FUNDS

Ten thousand dollars ($10,000) to Polk County for the Polk County Jail for paving and fencing around the jail.

H1440 CLEVELAND DIALYSIS FUNDS

Five thousand dollars ($5,000) to the Cleveland County Kidney Association, Inc., for operating expenses incurred in operating the Associations' kidney dialysis center bus, which provides transportation for those needing kidney dialysis.

H1441 RUTHERFORD HOSPICE FUNDS

Four thousand dollars ($4,000) to Hospice of Rutherford County Inc., for operating expenses incurred in providing care to the terminally ill and their families.

H1442 VIETNAM VETERANS LEADERSHIP PROGRAM

Five thousand dollars ($5,000) to the North Carolina Vietnam Veterans Leadership Program for operating expenses for the Program's services to Vietnam veterans, including assisting Vietnam veterans in funding jobs and finding business loans, and by providing both job and professional counseling.

H1444 YADKIN HANDICAP ACCESS FUNDS

Twenty-five thousand dollars ($25,000) to Yadkin County to make county-owned public buildings in Yadkin County accessible to the handicapped.

H1445 KANNAPOLIS HISTORICAL FUNDS

Five thousand dollars ($5,000) to the City of Kannapolis for the Kannapolis History Associates' development of interest in the history of Kannapolis and acquisition of historic property.

H1446 KANNAPOLIS SR. CENTER FUNDS

Fifteen thousand dollars ($15,000) to Cannon Memorial YMCA and Community Center, Inc., for the Kannapolis Senior Citizens' Center, to repair the Center's roof and to develop needed social and recreational areas.

H1447 MARION AIRPORT FUNDS

Ten thousand dollars ($10,000) to Marion Airport Commission, Inc., for equipment and capital improvements.

H1448 GOOD FELLOWS CLUB FUNDS

Six thousand dollars ($6,000) to Good Fellows Club, Incorporated, in Mecklenburg County, for operating expenses to continue its public service programs.

H1451 SCHIELE MUSEUM SURVEY FUNDS

Seven thousand five hundred dollars ($7,500) to the Schiele Museum of Natural History and Planetarium, Inc., for staff and operating expenses for the continuation of the archeological survey in the south-central Piedmont, and to enable the Museum to conduct a summer school institute of field archeology for the general public, college students, and senior high school students.

H1452 GASTON COMMUNITY DEV. FUNDS

Seven thousand five hundred dollars ($7,500) to Look Up Gaston Foundation, Inc., for the Foundation's ongoing community development program.

H1453 GASTON-LINCOLN ADAP FUNDS

Five thousand dollars ($5,000) to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, for the Gaston-Lincoln Area Mental Health, Mental Retardation, and Substance Abuse Program, to provide transportation services to the clients of the Adult Developmental Activities Program.

H1454 CHERRYVILLE MUSEUM FUNDS

Seven thousand five hundred dollars ($7,500) to the Cherryville Historical Association, Inc., to construct and operate a Cherryville Museum, to preserve Cherryville's history.

H1457 ROCKINGHAM RETARDATION FACILITY FUNDS

Seven thousand five hundred dollars ($7,500) to the Rockingham Council on Mental Retardation, Inc., for capital improvements of its facility.

H1458 ALAMANCE HOMELESS SHELTER FUNDS

Seven thousand five hundred dollars ($7,500) to the Allied Churches of Alamance County, Inc., for operating its homeless shelter program.

H1459 LA GRANGE LIBRARY FUNDS

Three thousand dollars ($3,000) to the La Grange Chamber of Commerce to expand the public library facilities in La Grange in order to better serve the public.

H1460 KINSTON COMMUNITY CENTER FUNDS

Three thousand dollars ($3,000) to Adkin High School Alumni and Friends, Inc., to renovate the abandoned Adkin High School Building to be used as a community center in Kinston.

H1461 LENOIR HISTORICAL MUSEUM FUNDS

Three thousand dollars ($3,000) to Lenoir County to restore and create a museum in the Caswell Fire Company Number 1 location, established June 12, 1904.

H1464 CHARLOTTE SYMPHONY FUNDS

Six thousand dollars ($6,000) to the Charlotte Symphony Orchestra Society, Incorporated, for operating expenses of the Charlotte Symphony to enable the Symphony to provide its music and its other services to the citizens of Charlotte and of the entire State.

H1465 FLORENCE CRITTENTON SERVICES FUNDS

Six thousand dollars ($6,000) to Florence Crittenton Services, Incorporated, for operating expenses of its public service programs.

H1467 CASTLE HAYNE FIRE DEPT. FUNDS

Three thousand dollars ($3,000) to the Castle Hayne Volunteer Fire Department, Inc., in New Hanover County, for equipment for the volunteer fire department.

H1468 HISTORIC HARSHAW CHAPEL FUNDS

Two thousand dollars ($2,000) to the Archibald D. Murphey Chapter of the Daughters of the American Revolution for roof repairs to historic Harshaw Chapel, to improve public access to the historic building.

H1469 MOORESVILLE LIBRARY FUNDS

Twenty thousand dollars ($20,000) to Iredell County Library for the Mooresville Public Library to enable the library to meet the needs of a rapidly growing reading population.

H1470 LENOIR HIGH SCHOOL FUNDS

Two thousand five hundred dollars ($2,500) to the Lenoir County Board of Education for instruments and uniforms for the North Lenoir High School Band.

Two thousand five hundred dollars ($2,500) to the Lenoir County Board of Education for instruments and uniforms for the South Lenoir High School Band.

H1471 KINSTON PARK FUNDS

Three thousand dollars ($3,000) to Harvey Gardens of Kinston, Inc., to establish a garden-park on a vacant lot once used for a public school.

H1472 COASTAL WOMEN'S SHELTER FUNDS

Three thousand dollars ($3,000) to the Coastal Women's Shelter Board, Inc., to purchase a permanent home in order to provide services to battered women and children.

Three thousand dollars ($3,000) to Craven County to be used in its program for the aged.

H1473 FIND MY CHILD FUNDS

Three thousand dollars ($3,000) to the Find My Child Support Network for operating expenses in providing support and services to the public.

H1474 WFAE PUBLIC RADIO FUNDS

Six thousand dollars ($6,000) to the Board of Governors of The University of North Carolina for the operating and capital expenses of Public Radio Station WFAE.

H1475 MECKLENBURG FIRE DEPTS. FUNDS

Twenty-four thousand dollars ($24,000) to the fire departments in Mecklenburg County to be divided equally among:

(1) Cornelius-Lemley Volunteer Fire Department, Inc.;
(2) Davidson Volunteer Fire Department;
(3) Derita Volunteer Fire Department, Inc.;
(4) Gilead Volunteer Fire Department, Inc.;
(5) Huntersville Volunteer Fire Department, Inc.;
(6) Mallard Creek Fire Department, Inc.;
(7) Newell Volunteer Fire Department, Inc.; and
(8) Statesville Road Volunteer Fire Department, Inc.

These funds shall be used for equipment and operating expenses.

H1480 RALEIGH SYMPHONY FUNDS

Two thousand dollars ($2,000) to the Raleigh Symphony Orchestra, Incorporated, a nonprofit community orchestra, to support the symphony's educational projects available to young children, high school and college musicians, and adults.

H1482 CARY YMCA FUNDS

Seven thousand dollars ($7,000) to the Town of Cary for its YMCA for capital improvements to facilities at which its public service and community enrichment programs are offered.

H1483 RALEIGH YWCA FUNDS

Five thousand dollars ($5,000) to the Young Women's Christian Association of Wake County, North Carolina, Incorporated, on Oberlin Road for the replacement of its gymnasium floor to enable recreation programs for the youth of Raleigh to continue.

H1484 THEATRE IN THE PARK FUNDS

Four thousand dollars ($4,000) to the Theatre in the Park of Raleigh for operating expenses to enable Theatre in the Park to continue to provide theatrical entertainment of consistently high quality to the people of Raleigh and the surrounding area.

H1485 N.C. THEATRE FUNDS

Five thousand five hundred dollars ($5,500) to The North Carolina Theatre in Raleigh for operating expenses to enable the Theatre to continue to provide professional theatre to the people of Raleigh and the surrounding area.

H1486 CARY HISTORIC HOTEL FUNDS

Four thousand five hundred dollars ($4,500) to the Town of Cary for the preservation and renovation of the historic Page-Walker Hotel.

H1487 LIFE EXPERIENCES FUNDS

Three thousand dollars ($3,000) to Life Experiences, Inc., of Cary for operating expenses of its public services programs and activities for mentally disabled adults.

H1489 CARY SENIOR CITIZENS FUNDS

One thousand five hundred dollars ($1,500) to the Town of Cary for the expansion of services for senior citizens.

H1490 FRANKIE LEMMON SCHOOL FUNDS

Two thousand five hundred dollars ($2,500) to the Frankie Lemmon School and Developmental Center, Inc., for programs and services to mentally handicapped children.

H1491 ORANGE SHELTER FUNDS

Five thousand dollars ($5,000) to the Inter-Church Council for Social Service, Inc., (Inter-Faith Council for Social Service) located in

Orange County, for operating funds for the Community Shelter Project.

H1492 CHATHAM CO. HOSPICE FUND

Five thousand dollars ($5,000) to Hospice of Chatham County for operating expenses in providing compassionate care to the terminally ill and their families.

H1493 PITTSBORO FUNDS WATER TANK FUNDS

Ten thousand dollars ($10,000) to the Town of Pittsboro for the renovation of two elevated water tanks.

H1494 ORANGE LIBRARY FUNDS

Five thousand dollars ($5,000) to the Orange County Public Library for the automation fund to update and computerize library functions.

H1495 ALEXANDER DICKSON HOUSE FUNDS

Five thousand dollars ($5,000) to The Preservation Fund of Hillsborough, Inc., for the Alexander Dickson House Restoration Project.

H1496 HILLSBOROUGH CEMETERY FUNDS

Five thousand dollars ($5,000) to the Town of Hillsborough for the restoration and landscaping of the historic Slave Cemetery.

H1497 JORDAN LAW ENFORCEMENT FUNDS

Five thousand dollars ($5,000) to Chatham County for providing law enforcement services in and around the Jordan Lake area and providing other services incidental to the operation of the State Park facility at Jordan Lake.

H1498 SILER CITY WATER/SEWER FUNDS

Five thousand dollars ($5,000) to the Town of Siler City to assist with improvements to its water and sewer systems.

H1499 ORANGE ARTS CENTER FUNDS

Five thousand dollars ($5,000) to The Arts Center, in Carrboro, for the operation of its arts program.

H1500 ORANGE-CHATHAM JOCCA FUNDS

Three thousand dollars ($3,000) to the Joint Orange-Chatham Community Action, Inc., in Pittsboro for meeting the needs of the poor citizens of Chatham County and Orange County.

H1501 ORANGE BICENTENNIAL FUNDS

Five thousand dollars ($5,000) to Orange County for the use of the Orange County Committee on the Bicentennial of the Constitution, for the purpose of enhancing its programs for the people of North Carolina.

H1502 CHATHAM WHITE PINES FUNDS

Ten thousand dollars ($10,000) to the Triangle Land Conservancy in the Research Triangle Park to assist with the purchase of a wilderness tract in Chatham County of special historical, botanical, and environmental significance known as White Pines.

H1503 STOKES SENIOR CITIZENS FUNDS

Fifteen thousand dollars ($15,000) to the Stokes Advocacy Council to Seniors to purchase a van, and pay the insurance premium on that van for one year, to provide transportation for senior citizens.

H1504 GRANVILLE FUNDS

Fifteen thousand dollars ($15,000) to Granville County for the Granville Medical Center.

Five thousand dollars ($5,000) to the South Granville Rescue Squad, Incorporated, for equipment and operating expenses.

Five thousand dollars ($5,000) to North Granville Emergency Medical Services for operating and capital expenses in providing emergency services to the people of North Granville County.

Five thousand dollars ($5,000) to Central Children's Home of North Carolina, Inc., to provide homes for homeless and neglected children.

Fifteen thousand dollars ($15,000) to the Oxford Business and Professional Chain, Incorporated, for the Granville County Senior Citizens Program.

H1505 CASWELL FUNDS

Five thousand dollars ($5,000) to Caswell County for capital improvements and operating expenses at the Caswell County Recreation Areas.

One thousand dollars ($1,000) to the Caswell County Historical Association, Inc., for the restoration of the old jail.

Five thousand dollars ($5,000) to Caswell County for operating and capital expenses for the Caswell Civic Center.

Five thousand dollars ($5,000) to Caswell County for operating and capital expenses for the Gunn Memorial Library.

H1506 PERSON FUNDS

Fifteen thousand dollars ($15,000) to the Person County Memorial Hospital, Incorporated, for capital improvements to the Hospital.

Five thousand dollars ($5,000) to Person County for the Person-Caswell Lake Authority, to provide water services to the citizens of Person and Caswell Counties.

Ten thousand dollars ($10,000) to Person County for the Person County Rescue Squad for operating expenses and equipment in providing emergency services to the citizens of Person County.

H1507 VANCE FUNDS

Ten thousand dollars ($10,000) to the Town of Henderson for Henderson-Vance Drug Enforcement.

Eight thousand dollars ($8,000) to the Town of Henderson to renovate the fire station building.

Two thousand dollars ($2,000) to the Family Violence Intervention Program for Region K in Henderson to help victims of family violence.

Four thousand dollars ($4,000) to Vance County for the Senior Center, for capital costs and operating expenses to provide services for senior citizens in Vance County.

Two thousand dollars ($2,000) to the Henderson Institute Graduates and Former Students Association, Incorporated, for operating expenses and for the Henderson Institute Library Restoration Fund.

H1508 WARREN SENIOR CITIZENS FUNDS

Three thousand dollars ($3,000) to The Coordinating Council for Senior Citizens of Warren County, North Carolina, to provide services to senior citizens in Warren County.

H1509 HALIFAX FUNDS

Five thousand dollars ($5,000) to the Halifax Emergency Medical Services Authority for capital improvements and operating expenses in providing emergency medical services to the citizens of Halifax County.

Eight thousand dollars ($8,000) to the Roanoke Rapids Board of Education for the Roanoke Rapids Graded School District Educational Foundation for a school auditorium.

Five thousand dollars ($5,000) to the Roanoke Rapids Public Library for capital improvements.

Three thousand dollars ($3,000) to the Roanoke Canal Commission, Inc., for public services in the Roanoke Rapids area.

Two thousand dollars ($2,000) to the Town of Littleton for the Littleton Civic and Senior Citizens' Club Community Center, for

operating expenses and to complete the Center's facility, which will enable the Center to serve adequately all the citizens of the community.

H1511 TAR RIVER CHORAL AND ORCHESTRAL FUNDS

Five thousand dollars ($5,000) to Tar River Choral and Orchestral Society, Inc., to promote community concerts.

H1512 VISIONS, INC., FUNDS

Seven thousand five hundred dollars ($7,500) to the Vigorous Interventions In Ongoing Natural Settings, Inc., known as VISIONS, Inc., an adult day care center outreach program for frail, low-income, and elderly adults, for renovation of Wright's Center.

H1513 WFSS PUBLIC RADIO FUNDS

Two thousand five hundred dollars ($2,500) to the Board of Governors of the The University of North Carolina for operating expenses of Fayetteville State University's Public Radio Station, WFSS.

H1519 MOUNTAIN AREA HOSPICE FUNDS

Two thousand five hundred dollars ($2,500) to the Mountain Area Hospice Corporation of Buncombe County for operating expenses to allow the Corporation to continue its service to terminally ill patients.

H1520 ROUSE'S GROUP HOME FUNDS

Ten thousand dollars ($10,000) to Rouse's Group Home Inc., in Stoneville for capital construction, support of patient care, and equipment.

H1521 PROJECT CARE FUNDS

Five thousand dollars ($5,000) to the Episcopal Church of the Redeemer in Greensboro for its project care program, a tutorial program designed to help children in the Greensboro area prepare for tests, including the PSAT and the SAT, and to achieve better learning skills.

H1522 ATKINSON MEM. LIB. FUNDS

Five thousand dollars ($5,000) to the Public Library of Johnston County and Smithfield for access for the handicapped and other improvements to the Wade H. Atkinson Memorial Library and Community Building.

H1524 GREENSBORO HOLOCAUST FUNDS

One thousand dollars ($1,000) to the North Carolina Council on the Holocaust, Greensboro Chapter, to support its program of education and observance of the Holocaust.

H1525 POST DETENTION ADVOCATE FUNDS

Two thousand five hundred dollars ($2,500) to the Post Detention Advocate Program in Greensboro for administrative costs of staffing and training volunteers to work with its program for chronic juvenile offenders.

H1526 HAYES TAYLOR YMCA FUNDS

Five thousand dollars ($5,000) to The Young Men's Christian Association of Greensboro, Incorporated, for operating expenses of its activities and tutorial enrichment programs at the Hayes Taylor YMCA that benefit the entire community.

H1527 GATE CITY JR. TENNIS FUNDS

Three thousand dollars ($3,000) to the Gate City Junior Tennis Academy, in Greensboro, to train underprivileged youths in tennis.

H1528 PREGNANT TEEN PROGRAM FUNDS

Three thousand dollars ($3,000) to the Young Women's Christian Association of Greensboro, North Carolina, Inc., to help fund the pregnant teen program at the Davie Street YWCA.

H1529 PLEASANT GARDEN CENTER FUNDS

Two thousand dollars ($2,000) to the Pleasant Garden Community Center, Inc., in Guilford County, to help support the Center's public service cultural enrichment and tutorial programs.

H1530 SWORD OF PEACE FUNDS

Two thousand five hundred dollars ($2,500) to the Snow Camp Historical Drama Society, Inc., to assist in the support of the outdoor drama "Sword of Peace".

H1531 WESLEY HALL FUNDS

Eleven thousand dollars ($11,000) to Wesley Hall of Alamance, Inc., a mental illness and drug addiction treatment center, for operating expenses to enable the continued treatment of Alamance, Rockingham, Caswell, and other area patients.

H1532 ALAMANCE FRIENDS OF YOUTH FUNDS

Two thousand five hundred dollars ($2,500) to Alamance County for the Alamance County juvenile work restitution program for juvenile delinquents.

H1534 N.C. TRADITIONAL POTTERY MUSEUM FUNDS

Five thousand dollars ($5,000) to the Department of Cultural Resources, Division of Archives and History, for planning for a Museum of North Carolina Traditional Pottery, which will benefit not only the citizens of Randolph, Moore, and Montgomery Counties, but all the citizens of the State by displaying its historic and modern pottery and related crafts and by promoting the continued development of fine pottery making.

H1535 WATAUGA DEV. DAY CARE FUNDS

Seven thousand five hundred dollars ($7,500) to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, for start-up funds for a preschool day care program in Watauga County for developmentally disabled children.

H1538 JONES FIRE DEPARTMENTS FUNDS

Six thousand dollars ($6,000) to the Jones County Emergency Management Office to be allocated to the fire departments in the county on the basis of one thousand dollars ($1,000) each for operating expenses, equipment purchases, and capital costs.

H1539 DUPLIN EDUCATION FOUNDATION FUNDS

Five thousand dollars ($5,000) to the Duplin County Education Foundation to be distributed in amounts of one thousand dollars ($1,000) each to the following Boosters Clubs to be used to support the athletic programs in their schools:

East Duplin High School Boosters Club;
James Kenan High School Boosters Club;
North Duplin High School Boosters Club;
Wallace-Rose Hill High School Boosters Club; and
Jones High School Boosters Club.

H1540 DURHAM DISPUTE CENTER FUNDS

Two thousand dollars ($2,000) to the Dispute Settlement Center of Durham County, Inc., for the training of mediators in divorce mediation.

H1542 DUNN CENTENNIAL CELEBRATION FUNDS

Two thousand dollars ($2,000) to the City of Dunn for Dunn's Centennial Celebration.

H1544 HARNETT "QUEST"/HISTORICAL FUNDS

Four thousand dollars ($4,000) to the Harnett County Board of Education for a summer "Quest" program in mathematics and communications skills for academically gifted students in the Harnett County Public Schools.

One thousand dollars ($1,000) to Harnett County Historical Society Foundation, Inc., for historical restoration.

H1545 ANGIER SR. CENTER FUNDS

Eight thousand dollars ($8,000) to Angier Senior Citizens, Inc., for the renovation and operation of the Senior Citizen's Center.

H1547 NANTAHALA FIRE/RESCUE FUNDS

Five thousand dollars ($5,000) to the Nantahala Volunteer Fire and Rescue, Inc., to build a building to help provide fire and rescue services.

H1548 CHICOD RECREATION FUNDS

Seven hundred fifty dollars ($750.00) to Pitt County to be used for the Chicod Community Recreation Program.

H1550 NCSU CAREER PROGRAM FUND

Three thousand dollars ($3,000) to the Board of Governors of the University of North Carolina for the North Carolina State University Career Maturity Research Program.

H1551 PUBLIC ART PROJECT FUNDS

Two thousand dollars ($2,000) to the Capital City Art Gallery Association, Inc., for a combined-media public work of art and architecture at Moore Square in Raleigh.

H1552 DUPLIN ARTS COUNCIL FUNDS

One thousand dollars ($1,000) to the Duplin County Arts Council, Inc., for programming and outreach.

H1553 WALLACE COMMUNITY CENTER FUNDS

Four thousand dollars ($4,000) to the Town of Wallace for a multi-purpose community center.

H1554 DUPLIN FIRE DEPARTMENTS FUNDS

Twenty thousand dollars ($20,000) to the Duplin County Emergency Services Office to be allocated to the fire departments in the county on the basis of one thousand dollars ($1,000) each for operating expenses, equipment purchases, and capital costs.

H1555 LATHAM HOUSE FUNDS

Ten thousand dollars ($10,000) to the Department of Cultural Resources, Division of Archives and History, to assist in the adaptive restoration of the Latham House. These funds shall not revert to the General Fund at the end of the 1987-1988 fiscal year.

H1558 OPPORTUNITY CORPORATION FUNDS

Five thousand dollars ($5,000) to The Opportunity Corporation of Madison and Buncombe Counties for operating expenses in providing services to low-income persons in Madison and Buncombe Counties.

H1560 BRUNSWICK SCHOOLS ATHLETIC EQUIP. FUNDS

Six thousand dollars ($6,000) to the Brunswick County Board of Education for athletic equipment, to be allocated as follows:

(1) Two thousand dollars ($2,000) to the South Brunswick Boosters Club;
(2) Two thousand dollars ($2,000) to the West Brunswick Boosters Club; and
(3) Two thousand dollars ($2,000) to the North Brunswick Boosters Club.

H1561 BRUNSWICK CIVIC CENTER FUNDS

Two thousand dollars ($2,000) to Brunswick County for the Fifth District Civic Center, for capital improvements to the Center, to enable the Center to continue its service to the citizens of the area.

H1563 YANCEY HUMAN RESOURCE CTR. FUND

Ten thousand dollars ($10,000) to Yancey County to defray the costs of constructing a Human Resource Center to benefit the citizens of Yancey County and to facilitate the services provided by the Yancey County Department of Social Services, Mental Health for Yancey County, Toe River Health District, and the Yancey County Health Department.

H1564 TOWN OF COATS/ANDERSON CREEK SR. CENTER FUNDS

Five thousand dollars ($5,000) to the Town of Coats for construction and operation of the Senior Citizen's Center.

Two thousand dollars ($2,000) to the Boone Trail Medical Center, Inc., for repairs to the Anderson Creek Senior Citizen's Center.

H1567 ERWIN TOWN HALL FUNDS

Five thousand dollars ($5,000) to the Town of Erwin for heating and air conditioning the Erwin Town Hall.

H1569 TRI-COUNTY SR. CITIZEN FUNDS

Five thousand dollars ($5,000) to United Tri-County Senior Citizens Corporation, Incorporated, to provide services to the older adults of Craven, Pamlico, and Jones Counties, including nutrition, education, socialization, and transportation services.

H1570 CUNNINGHAM MUSEUM FUNDS

One thousand dollars ($1,000) to the A. A. Cunningham Air Museum for operating expenses for the Museum, a community-based facility providing marine and aviation exhibits.

H1571 PAMLICO FIRE DEPT. FUNDS

One thousand dollars ($1,000) to the Town of Bayboro for the Pamlico Fire Department for training and supplies.

H1572 HARVEY GARDENS FUNDS

Two thousand five hundred dollars ($2,500) to the Harvey Gardens of Kinston, Inc., for the irrigation, drainage, and construction of walkways to enable the planting of the Gardens, which will provide a park and recreation area for all the citizens of Kinston and of Lenoir County.

H1573 LA GRANGE LIBRARY FUNDS

Three thousand dollars ($3,000) to the Town of La Grange for a planning and design study for the La Grange Public Library.

H1574 HUGO FIRE DEPT. FUNDS

Four thousand dollars ($4,000) to the Hugo Volunteer Fire Department, Inc., to help purchase a fire truck.

H1575 PAMLICO HOSPICE FUNDS

One thousand dollars ($1,000) to Hospice of Pamlico County, Inc., for training funds to enable Hospice to continue providing compassionate care to the terminally ill and their families.

H1576 EASTERN MINORITY DEVELOPMENT FUNDS

Two thousand dollars ($2,000) to the Eastern Minority Economic Development Corporation for operating expenses incurred in addressing the problems of unemployment, and of the low level of local ownership of property and businesses among poor and working class communities.

H1577 PAMLICO RESCUE SQUAD FUNDS

Three thousand two hundred fifty dollars ($3,250) to the Pamlico County Rescue Squad to purchase a "Laerdal Heartstart 2000" semiautomatic defibrillator to provide better emergency medical services to the people of Pamlico County.

H1578 CRAVEN COUNTY AGING FUNDS

One thousand dollars ($1,000) to Craven County for the Craven County Commissioners Board on Aging's Information and Referral Service.

H1579 CRAVEN ARTS FUNDS

One thousand dollars ($1,000) to the Craven Arts Council and Gallery, Inc., to promote and develop the arts in Craven County.

H1580 LENOIR BOYS CLUB/HELP IS ON THE WAY FUNDS

One thousand dollars ($1,000) to the Boy's Club of Lenoir County, Inc., to help support its public service program.

One thousand two hundred fifty dollars ($1,250) to Help Is On The Way, Inc., to support its drug and alcohol abuse program in Craven County.

H1581 JOHNSTON CENTRAL ALUMNI FUNDS

Five thousand dollars ($5,000) to the Johnston Central High School Alumni Association, Incorporated, to support the public service programs of the Association.

H1583 CULTURAL ARTS/SPCA FUNDS

Ten thousand dollars ($10,000) to the Johnston County Board of Education for the Johnston County School Cultural Arts Program.

Ten thousand dollars ($10,000) to the Johnston County Society for the Prevention of Cruelty to Animals, to support its program.

H1587 PIEDMONT OPERA THEATER FUNDS

Two thousand dollars ($2,000) to Piedmont Opera Theater, Inc., for operations to enable the Theater to continue to provide opera and other musical theater to the public.

H1588 NORTHWEST DEVELOPMENTAL DAY FUNDS

Six thousand dollars ($6,000) to the Northwest Ministry Developmental Day School, Inc., for services for severely mentally impaired and handicapped children.

H1589 YWCA/WINSTON-SALEM FUNDS

One thousand dollars ($1,000) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., on Glade Street to underwrite the Encore program for women who have had breast surgery and to underwrite participation in wellness programs by the disabled.

H1590 CHARLOTTE CHILDRENS' THEATRE FUNDS

Six thousand dollars ($6,000) to The Childrens' Theatre of Charlotte, Inc., to assist in operating expenses and support of its public enrichment programs.

H1591 PITT COUNTY HOSPICE FUNDS

One thousand dollars ($1,000) to the Eastern Carolina Home Health Services, Inc., for Hospice of Pitt County to provide support and assistance to dying persons and their families.

H1595 COASTAL WOMEN'S SHELTER FUNDS

Five thousand dollars ($5,000) to the Coastal Women's Shelter Board, Inc., for operating expenses to enhance the shelter program for battered women.

H1596 LENOIR DOMESTIC VIOLENCE FUNDS

One thousand dollars ($1,000) to SAFE in Lenoir County, Inc., located on Caswell Center grounds, but operating as a separate, nonprofit, tax-exempt entity, in Lenoir County for operating expenses incurred in its domestic violence program that provides services to Lenoir, Greene, and Jones Counties.

H1599 FAIR BLUFF FUNDS

Two thousand dollars ($2,000) to The Greater Fair Bluff Chamber of Commerce to be used to promote equally the Fair Bluff Watermelon Festival and the Fair Bluff Farmer's Festival.

H1600 YAM FESTIVAL FUNDS

Two thousand dollars ($2,000) to the North Carolina Yam Festival at Tabor City, North Carolina, Inc., to be used for the 1987 Yam Festival at Tabor City.

H1601 BEAVER DAM COMMUNITY CENTER FUNDS

Five thousand dollars ($5,000) to the Beaver Dam Community Center, Inc., to repair, upgrade, and maintain the Community Center.

H1602 HAMLET PUBLIC LIBRARY FUNDS

Five thousand dollars ($5,000) to Friends of the Hamlet Public Library, Inc., to provide a portion of the funds needed to purchase the lot adjacent to the present library site for library expansion purposes.

H1605 GRANTSBORO-SILVERHILL FIRE/TRI-COUNTY SENIOR FUNDS

Two thousand five hundred dollars ($2,500) to the Grantsboro-Silverhill Volunteer Fire Dept., Inc., for operating expenses and equipment.

Three thousand dollars ($3,000) to the United Tri-County Senior Citizens Inc., to be used in its program for the aged.

H1607 FLYNN HOUSES FUNDS

Three thousand dollars ($3,000) to the Flynn Christian Fellowship Houses of Asheville, North Carolina, to partially refurbish and restore both of its residential facilities serving men and women who have problems associated with alcohol dependency.

H1608 LICKLOG PLAYERS FUNDS

Four thousand dollars ($4,000) to The Licklog Players of Hayesville for operating expenses to enable the Players to continue to provide theater and community entertainment to the public.

H1610 E.C.U. PROGRAMS FUNDS

One thousand dollars ($1,000) to East Carolina University for the E.C.U. Friends of Music.

One thousand dollars ($1,000) to East Carolina University for the Remedial Education Activity Program.

H1611 PITT COUNTY FIRE & RESCUE SQUAD FUNDS

Ten thousand dollars ($10,000) to Pitt County to be allocated in equal amounts among the following fire departments and rescue squads for operations and capital improvements:

Pitt County Fire Departments
Ayden Fire Department
Bell Arthur Fire Department
Belvoir Fire Department
Black Jack Fire Department
Eastern Pines Fire Department

Clarks Neck Fire Department
Falkland Fire Department
Farmville Fire Department
Fountain Fire Department
Gardnersville Fire Department
Grifton Fire Department
Grimesland Fire Department
Pactolus Fire Department
Red Oak Fire Department
Sharp Point Fire Department
Simpson Fire Department
Staton House Fire Department
Winterville Fire Department

Pitt County Rescue Squads
Ayden Rescue Squad
Bell Arthur First Responder Rescue Squad
Eastern Pines Rescue Squad
Folkland Rescue Squad
Farmville Rescue Squad
Fountain Rescue Squad
Greenville Rescue Squad
Grifton Rescue Squad
Pactolus Rescue Squad
Pitt Ambulance Rescue Squad
Winterville Rescue Squad.

H1612 PITTS BOYS' CLUB FUNDS

One thousand dollars ($1,000) to the Boys' Clubs of Pitt County, Inc., for operating expenses of its public service programs.

H1615 MEN'S GARDEN CLUB FUNDS

One thousand dollars ($1,000) to the Men's Garden Club of Wake County for paving projects and installing a ramp at the flower show area for the North Carolina State Fair.

H1617 SHELLEY SCHOOL FUNDS

One thousand dollars ($1,000) to the Shelley School Child Development Center to provide services to children with moderate to severe mental retardation and associated developmental disabilities.

H1618 LOAVES AND FISHES CHILDREN'S FUNDS

One thousand dollars ($1,000) to Loaves and Fishes Ministry, Inc., of Wake County for the intensive care program for young children

with severe learning problems.

H1620 HAVELOCK COMM. CENTER FUNDS

Two thousand five hundred dollars ($2,500) to the Havelock Community Improvement Association, which serves as a community center, for capital improvements for the building.

H1621 PENN CIVIC CENTER FUNDS

Five thousand dollars ($5,000) to the City of Reidsville for renovations to the Penn Civic Center.

H1622 COLUMBUS COUNTY HOSPICE, INC., FUNDS

One thousand dollars ($1,000) to Columbus County Hospice, Incorporated, to cover the hospice services to patients.

H1623 CHADBOURN CHAMBER OF COMMERCE FUNDS

One thousand dollars ($1,000) to the Greater Chadbourn Chamber of Commerce to aid with their public projects.

H1624 HARNETT HANDICAPPED SKILLS/ANGIER LITTLE LEAGUE FUNDS

Eight thousand dollars ($8,000) to Harnett Production Enterprises for air conditioning for the work area in which the handicapped are trained in living skills.

Ten thousand dollars ($10,000) to the Town of Angier to provide toilet facilities for the little league park.

H1625 AHOSKIE ECONOMIC ENHANCEMENT FUNDS

Two thousand dollars ($2,000) to the Ahoskie Chamber of Commerce, Inc., to support its efforts in creating an environment that is conducive to attracting business and industry to this economically deprived area of the State.

Two thousand dollars ($2,000) to The Gallery Theatre, Inc., to support the activities and productions of this community theater which adds greatly to the quality of life in this economically deprived area, and whose activities have a great impact on attracting business and industry to the area.

H1626 SIXTH DISTRICT SERVICE PROJECT FUNDS

One thousand dollars ($1,000) to Choanoke Area Development Association of North Carolina, Incorporated, for Kiddie World Child Development for equipment to use in its public service programs.

Five thousand dollars ($5,000) to Choanoke Area Development Association of North Carolina, Incorporated, to use to assist day care programs throughout the area.

Two thousand dollars ($2,000) to Martin County Community Action, Inc., to help support its Head Start Program.

Four thousand dollars ($4,000) to Martin Community Players, Inc., to assist in operating expenses and production costs of shows and programs that enrich the entire community.

One thousand five hundred dollars ($1,500) to the Town of Windsor for the restoration of historic properties.

Three thousand dollars ($3,000) to the Town of Bethel to assist in the operating costs of the Bethel Public Library and of the Senior Citizens Center which serves all senior citizens in that area.

One thousand dollars ($1,000) to the Stokes Fire Department to purchase equipment.

Five hundred dollars ($500.00) to the Askewville Volunteer Fire Department, Inc., for operating expenses and equipment.

H1627 CLEVELAND CO. KIDNEY ASSOC. FUNDS

Twenty thousand dollars ($20,000) to the Cleveland County Kidney Association, Inc., for operating expenses of its public service programs.

H1629 PEOPLE ASSISTING VICTIMS FUNDS

Two thousand five hundred dollars ($2,500) to the People Assisting Victims for expanding and improving the assistance program.

H1630 DURHAM WOMEN'S COUNCIL FUNDS

Three thousand dollars ($3,000) to the Durham County Commission on the Status of Women for the Commission's study of the needs of women and their families in Durham County.

H1631 WOMEN'S RESOURCE CENTER FUNDS

One thousand dollars ($1,000) to the North Carolina Council of Women's Organizations to assist with the operating expenses of the N.C. Women's Resource Center in providing public service programs.

H1632 PITT FAMILY VIOLENCE PROGRAM FUNDS

One thousand five hundred dollars ($1,500) to Pitt County Family Violence Program for equipment and supplies to continue its public service programs.

H1633 ECU KIDS-IN-MOTION FUNDS

Two thousand dollars ($2,000) to the Board of Governors of the University of North Carolina for the Kids-in-Motion Program at East Carolina University Medical School.

H1634 FALKLAND TOWN IMPROVEMENTS FUNDS

One thousand dollars ($1,000) to the Town of Falkland for town improvements.

H1636 ANSON/MONTGOMERY FUNDS

Two thousand five hundred dollars ($2,500) to the Women's Crisis Council in Montgomery County for operating expenses.

One thousand dollars ($1,000) to the Montgomery County Historical Society for renovation and operating expenses of the historic Roller Mill in Montgomery County.

Five hundred dollars ($500.00) to the Lilesville Civic Builders in Anson County to be used for the annual July 4th celebration in 1988.

Five hundred dollars ($500.00) to the Cowan Recreation Center in Anson County to be used for the annual July 4th celebration in 1988.

One thousand dollars ($1,000) to the Ansonville Rescue Squad for capital and operating expenses.

One thousand dollars ($1,000) to the Burnsville Rescue Squad for capital and operating expenses.

H1637 DURHAM MEALS ON WHEELS FUNDS

Two thousand dollars ($2,000) to the Durham Congregations in Action for the meals on wheels program to provide meals for the needy.

H1638 JOHN AVERY BOY'S CLUB FUNDS

Two thousand five hundred dollars ($2,500) to the John Avery Boy's Club, Inc., to support its program and services to Durham youths.

H1639 SENIOR CITIZENS COUNCIL FUNDS

Two thousand dollars ($2,000) to the Coordinating Council for Senior Citizens, Durham, N.C., for operating expenses of its services to senior citizens.

H1640 DURHAM HOUSING AUTHORITY FUNDS

Twelve thousand five hundred dollars ($12,500) to the Housing Authority of the City of Durham for the Youth Enrichment Experience Program.

H1641 SCARBORO NURSERY FUNDS

Two thousand five hundred dollars ($2,500) to The Scarboro Nursery School, Incorporated, in Durham, for operating expenses.

H1642 LINCOLN COMMUNITY HEALTH FUNDS

Ten thousand dollars ($10,000) to the Lincoln Community Health Center, Incorporated, in Durham, for operating expenses in providing services for the public.

H1646 FISHERIES RESEARCH FUNDS

Two thousand dollars ($2,000) to the North Carolina Fisheries Association, Inc., for the development of the commercial fishing industry.

H1647 HISTORIC CASWELL FIRE STATION FUNDS

One thousand five hundred dollars ($1,500) to Lenoir County for the restoration of the Caswell Fire Company Number 1 Fire Station, the oldest standing governmental building in the City of Kinston.

H1648 FISHERIES RESEARCH FUNDS

Three thousand dollars ($3,000) to the North Carolina Coastal Federation for the development of the commercial fishing industry.

H1649 HAROLD D. COOLEY LIBRARY FUNDS

Five thousand dollars ($5,000) to the Thomas Hackney Braswell Memorial Library for renovations to the Harold D. Cooley Library in Nash County and construction of an addition to the Harold D. Cooley Library.

H1650 SPRING HOPE REVITALIZATION FUNDS

Five thousand dollars ($5,000) to the Town of Spring Hope for the costs of implementing the marketing and revitalization plans for Spring Hope.

H1651 SPRING HOPE LIBRARY FUNDS

Five thousand dollars ($5,000) to the Thomas Hackney Braswell Memorial Library for the Spring Hope Community Library in Nash County for capital construction and expansion.

H1652 OLD TABOR SCHOOL FUNDS

Nine thousand dollars ($9,000) to the Town of Tabor City to aid the Town of Tabor City in restoring the old Tabor one-room school, c.

1880, pursuant to the guidelines proposed by the Division of Archives and History.

H1653 TAMMY LYNN FOUNDATION FUNDS

Two thousand dollars ($2,000) to the Tammy Lynn Memorial Foundation, Inc., to construct 20 ICF/MR (intermediate care facility for the mentally retarded), expansion of their school building, a new commercial kitchen, and renovation of existing facilities for program and administrative offices.

H1656 WASHINGTON CITY SCHOOL FUNDS

Two thousand dollars ($2,000) to the Washington City Board of Education for the Washington High School Band to travel to Philadelphia and the District of Columbia to represent this State in the Constitution Bicentennial celebration.

H1658 NCCU INTERNATIONAL FUNDS

Two thousand dollars ($2,000) to the Board of Governors of The University of North Carolina to be used by North Carolina Central University's International Studies Center for the development of its programs.

H1659 OPERATION BREAKTHROUGH FUNDS

Four thousand dollars ($4,000) to Operation Breakthrough, Inc., in Durham for its emergency energy program.

H1660 DOBSON COMMUNITY BUILDING FUNDS

Five thousand dollars ($5,000) to the Dobson Community Council for necessary improvements to the Dobson Community Building.

H1661 RECREATION CENTER FUNDS

Five thousand dollars ($5,000) to the Town of Elkin to furnish, enhance, and equip the new indoor recreation facility in Elkin, provided that the Town of Elkin raises ten thousand dollars ($10,000) to match the appropriation on a two-for-one basis with non-State funds.

H1664 EDGECOMBE TECH. ROCKY MT. CAMPUS FUNDS

Five thousand dollars ($5,000) to the Department of Community Colleges for Edgecombe Technical College for operation and maintenance of the Rocky Mount campus.

H1665 NORTHEASTERN AREA FUNDS

Four thousand dollars ($4,000) to the Northampton County Board of Education to be used to help support Hurricane Printing Company which is a school project at Northampton County High School-West.

Two thousand dollars ($2,000) to Roanoke-Chowan Hospice, Inc., to assist in the cost of public service programs.

Five thousand dollars ($5,000) to Hertford County for Roanoke-Chowan S.A.F.E., a shelter for domestic violence victims, located in Winton, to assist in operating costs.

Three thousand dollars ($3,000) to Eure Volunteer Fire Department, Inc., to purchase equipment.

Three thousand dollars ($3,000) to Gates Volunteer Fire Department, Inc., to purchase equipment.

Two thousand dollars ($2,000) to Garysburg Volunteer Fire Department, Inc., to purchase equipment.

Six thousand dollars ($6,000) to the Town of Lasker to assist with the expenses of a municipal drainage project.

One thousand dollars ($1,000) to Progressive Community Association of Garysburg, Inc., for capital improvements to the community center which is available for use by all citizens in the Garysburg area.

H1666 BROADWAY PARK FACILITIES/HORTON PARK FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Broadway for the purchase of park facilities and related equipment.

Five thousand ($5,000) to Lee County for Horton Park.

H1667 NORTHVIEW OPTIMIST CLUB FUNDS

Two thousand five hundred dollars ($2,500) to The Optimist Club of Deep River-Northview, North Carolina, Incorporated, for capital improvements to its facilities to better serve the public.

H1668 LEE COUNTY HOSPICE FUNDS-2

Five thousand dollars ($5,000) to Hospice of Lee County, Inc., for operating expenses in providing compassionate care to the terminally ill and their families..

H1669 LEE COUNTY EDUCATION FUNDS

Ten thousand dollars ($10,000) to the Lee County Board of Education for the purchase of educational films and related equipment for the Lee County schools.

H1670 SANLEE CARE, INC., FUNDS

Two thousand five hundred dollars ($2,500) to SANLEE CARE, Incorporated, for the construction of a facility for the treatment of alcoholics.

H1671 LEMON SPRINGS IMPROVEMENT FUNDS

Two thousand five hundred dollars ($2,500) to Lemon Springs Improvement Corporation in Lee County for the purchase of park facilities and related equipment.

H1672 LEE COUNTY INDUSTRIES FUNDS

Five thousand dollars ($5,000) to Lee County Industries, Inc., for the purchase of equipment for use in its public service programs.

H1675 GOLDSBORO DEVELOPMENTAL SCHOOL FUNDS

Six thousand five hundred dollars ($6,500) to the Goldsboro City Board of Education for operations of the Edgewood Community Developmental School.

H1676 WAYNE VETERANS MONUMENT FUNDS

Five thousand dollars ($5,000) to Wayne County for a veterans monument to be erected at the Wayne County Public Library provided that if the funds are not expended for this purpose within five years after the effective date of the appropriation, then the funds shall revert to the General Fund.

H1677 LITTLE THEATER FUNDS

Three thousand dollars ($3,000) to The Little Theater of Winston-Salem, Inc., to assist in operating expenses and production costs of performances presented by the community theater which are an invaluable contribution to the community's quality of life.

H1678 SAWTOOTH CENTER FUNDS

One thousand dollars ($1,000) to The Sawtooth Center for Visual Design located in Winston-Salem for operating expenses in promoting the arts.

H1679 CHILD GUIDANCE CENTER FUNDS

Six thousand dollars ($6,000) to the Child Guidance Center, Incorporated, to enable the center to provide quality training for day care professionals in leadership roles in Forsyth County.

H1680 WINSTON-SALEM/FORSYTH YWCA FUNDS

Three thousand five hundred dollars ($3,500) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., to assist in providing camperships and other beneficial services to low-income families and family members and to expand community services offered by the YWCA to handicapped and disabled people of all ages.

H1681 BELLE CHERE FESTIVAL FUNDS

Two thousand five hundred dollars ($2,500) to the Asheville Area Chamber of Commerce, Inc., to sponsor the annual Belle Chere Street Festival.

H1682 PITT COMM. COLLEGE PROGRAM FUNDS

One thousand dollars ($1,000) to the Department of Community Colleges for Pitt Community College for Vocational Education Programs.

H1684 E.C.U. MEDICAL SCHOOL PROGRAMS FUNDS

Three thousand five hundred dollars ($3,500) to the Board of Governors of The University of North Carolina to be allocated as follows:

(1) One thousand dollars ($1,000) to the East Carolina University School of Medicine for the North River Adventures Program.

(2) One thousand five hundred dollars ($1,500) to the East Carolina University School of Medicine for the Rainbow Services Program for pediatric cancer victims.

(3) One thousand dollars ($1,000) to the East Carolina University School of Medicine for the Creative Living Center Senior Daycare Program.

H1685 WHITE PLAINS CTR. FUNDS

Five thousand dollars ($5,000) to the City of Cary for White Plains Children's Center, a non-profit developmental day care center on Maynard Road in Cary, to assist in the development and expansion of the Center's services and programs for children with special needs.

H1686 METROLINA ASSOC. FOR BLIND FUNDS

Seventeen thousand dollars ($17,000) to the Metrolina Association for the Blind, Inc., for equipment to expand and update a

computerized braille laser printer center for use in translation of standard language into braille language for text books and other educational material.

H1689 PITT-GREENVILLE ARTS COUNCIL FUNDS

One thousand dollars ($1,000) to the Pitt-Greenville Arts Council for operating expenses of its programs which benefit the entire community.

H1690 COLUMBUS JUDICIAL BUILDING FUNDS

Nine thousand dollars ($9,000) to Columbus County to help pay for renovations to the Sankey Wright Robinson Judicial Office Building.

H1691 DURHAM OMNIBUS FUNDS

Fifty thousand dollars ($50,000) to the Department of Cultural Resources, Division of Archives and History for increased programming and services at the Stagville Center.

Four thousand dollars ($4,000) to Durham County Inventory of Natural and Cultural Resources to support its inventory of the area.

One thousand dollars ($1,000) to the Redwood Fire Department for equipment and operating expenses.

H1693 HAYTI DEVELOPMENT FUNDS

Two thousand five hundred dollars ($2,500) to the Hayti Development Corporation to support the EDGE program (Educational Development and Growth Enrichment Program), a community education program that benefits the entire area.

H1695 ASHEBORO ECON. DEVELOPMENT FUNDS

Thirty-five thousand dollars ($35,000) to the Asheboro/Randolph County Area Economic Development Corporation for its efforts to further economic development.

H1696 DILLARD INCUBATOR FUNDS

Five thousand dollars ($5,000) to Dillard Building, Inc., a nonprofit corporation, for renovation of the first phase of the Dillard Incubator and Technology Center.

H1697 INTERACT FUNDS

Nine thousand dollars ($9,000) to Interact, Inc., (Family Violence Prevention Center, Inc.) for the development and expansion of its crisis intervention and advocacy services to address domestic violence, sexual assault, and child abuse in Wake County.

H1698 HIGGINS AG-CIVIC CENTER FUNDS

Twenty thousand dollars ($20,000) to Alleghany County for construction at the Carlisle Higgins Agricultural and Civic Center, provided the county raises forty thousand dollars ($40,000) to match this appropriation on a two-for-one basis with non-State funds.

H1699 STOKES FUNDS

Five thousand dollars ($5,000) to Hospice of Stokes County for operating expenses of its hospice program.

Ten thousand dollars ($10,000) to King Outreach Ministries, Inc., to assist low-income people in need with home building renovations.

Five thousand dollars ($5,000) to the Town of Danbury for its public library.

H1707 ASHE CO. LIBRARY FUNDS

Ten thousand dollars ($10,000) to Ashe County for furnishings, equipment, landscaping, and paving for the new Ashe County Library addition, provided twenty thousand dollars ($20,000) is raised to match the appropriation on a two-to-one basis with non-State funds.

H1715 WAKE COUNTY FUNDS

One thousand two hundred dollars ($1,200) to the Family Violence Prevention Center, Inc., to enable Interact to provide crisis intervention and advocacy services to address domestic violence, sexual assault, and child abuse in Wake County.

One thousand two hundred dollars ($1,200) to the North Carolina Council of Women's Organization to provide public services through the Women's Resource Center in Wake County.

Four thousand dollars ($4,000) to Raleigh Arts Foundation, Inc., of Raleigh, to support the arts in Wake County.

Four thousand dollars ($4,000) to the Town of Wake Forest to be used for construction or improvement of The Wake Forest Senior Citizens' Center.

Four thousand dollars ($4,000) to the Town of Wendell to be used for construction or improvement of a Senior Citizens' facility.

One thousand two hundred dollars ($1,200) to the Tammy Lynn Memorial Foundation, Inc, to continue its services to mentally retarded children.

One thousand two hundred dollars ($1,200) to Life Experiences, Inc., to continue its services to mentally disabled adults.

One thousand two hundred dollars ($1,200) to Haven House, Inc., to provide services in Wake County for emotionally disturbed youths.

One thousand two hundred dollars ($1,200) to the Young Women's Christian Association of Wake County, North Carolina, Incorporated, for public services programs.

One thousand five hundred dollars ($1,500) to Loaves and Fishes Ministry, Inc., to provide intensive care for children with severe learning problems.

One thousand two hundred dollars ($1,200) to the Frankie Lemmon School and Developmental Center, Inc., for its program for developmentally disabled children.

One thousand two hundred dollars ($1,200) to the Rural Community Networking Resource Center of Zebulon for public services programs.

One thousand two hundred dollars ($1,200) to Shelley School Child Development Center for services to young children with moderate to severe mental retardation and associated developmental disabilities.

Two thousand dollars ($2,000) to the Town of Rolesville to be used for a recreation program for the citizens in that area.

Two thousand dollars ($2,000) to the New Hope Volunteer Fire Department, Inc., in Wake County for equipment.

Two thousand dollars ($2,000) to the Hopkins Rural Fire Department, Inc., for equipment.

Two thousand dollars ($2,000) to the Falls Volunteer Fire Department, Inc., for equipment.

Two thousand dollars ($2,000) to the Stony Hill Rural Fire Department, Inc., for equipment.

One thousand two hundred dollars ($1,200) to the Women's Center of Raleigh, a nonprofit corporation, for public service programs.

Four thousand dollars ($4,000) to the Town of Zebulon to be used for Zebulon Recreation Park.

Five hundred dollars ($500.00) to The Ballet Theater Company of Raleigh to support the cultural programs of the theater which enrich the entire community.

H1718 TYRRELL 4-H FUNDS

Five thousand dollars ($5,000) to Tyrrell County for the 4-H program, which provides beneficial and educational activities for the young people of Tyrrell County, to purchase equipment.

H1719 ADOLESCENT PREGNANCY FUNDS

Two thousand five hundred dollars ($2,500) to Stedman-Wade Health Services, Inc., for the Cumberland Council on Adolescent Pregnancy, Inc., for operating expenses.

H1721 AYDEN MUSEUM FUNDS

Three thousand dollars ($3,000) to the Town of Ayden to renovate and restore the museum building; provided the sum of three thousand dollars ($3,000) in non-State funds is raised to match this appropriation on a dollar-for-dollar basis.

H1722 GREENVILLE FIRE TOWER FUNDS

Two thousand dollars ($2,000) to the City of Greenville to renovate the fire tower and the fire station.

H1723 WESTERN CAROLINA RESCUE MISSION

Three thousand dollars ($3,000) to the Western Carolina Rescue Mission, Inc., in Asheville for operating expenses incurred in running its programs that provide vital shelter for the homeless.

H1724 RUTHERFORD GENEALOGY FUNDS

One thousand dollars ($1,000) to Rutherford County for the Genealogical Society, which promotes understanding of the history of the people of Rutherford County, to provide a new heating system in the society's office.

H1725 PEMBROKE RESCUE SQUAD FUNDS

One thousand dollars ($1,000) to Pembroke Rescue Squad, Inc., in Robeson County for operating costs and equipment.

One thousand dollars ($1,000) to the Town of Lumber Bridge for downtown revitalization.

One thousand dollars ($1,000) to the Tuscarora Tribe of North Carolina, Inc., for operating expenses of a crisis center for runaway and homeless youth.

H1727 WINTERVILLE TOWN FUNDS

Three thousand dollars ($3,000) to the Town of Winterville to be distributed as follows: two thousand dollars ($2,000) for the community center for renovations and one thousand dollars ($1,000) for equipment for the recreation department.

H1728 FARMVILLE TOWN FUNDS

One thousand dollars ($1,000) to the Town of Farmville for the recreation center for supplies.

One thousand five hundred dollars ($1,500) to The Farmville Community Arts Council, Inc., for the Spring Festival.

One thousand dollars ($1,000) to the Town of Farmville for supplies and equipment to provide services for senior citizens.

Seven hundred fifty dollars ($750.00) to the Farmville Public Library for supplies and equipment.

H1729 HALIFAX CO. PROJECTS FUNDS

Five thousand dollars ($5,000) to the Town of Enfield to resurface the basketball court and make other improvements at Oakview Park.

One thousand dollars ($1,000) to the Enfield Fire Department, Incorporated, for equipment.

One thousand dollars ($1,000) to the Enfield Rescue Squad, Incorporated, for operating expenses and equipment.

One thousand five hundred dollars ($1,500) to Halifax County for operating expenses of the Hospice of Halifax County Program

Two thousand dollars ($2,000) to Our Community Hospital, Incorporated, in Scotland Neck for operating expenses and equipment.

Two thousand dollars ($2,000) to the Town of Littleton for the Littleton Civic and Senior Citizens' Club Community Center, to complete the Center's facility, which will enable the Center to serve adequately all the citizens of the community.

One thousand dollars ($1,000) to Halifax County for the Roanoke Valley Arts Council to assist in the restoration of the area's historical projects.

Two thousand dollars ($2,000) to the Haliwa-Saponi Tribe, Incorporated, for construction of a library.

One thousand five hundred dollars ($1,500) to the Center for Adolescence and Adult Development for operating expenses of its public service programs in Halifax County.

One thousand dollars ($1,000) to the Hobgood Volunteer Fire Department, Incorporated, for equipment.

One thousand dollars ($1,000) to the Halifax County Department of Social Services for the Halifax County Coalition for Progress for emergency energy assistance.

Seven hundred fifty dollars ($750.00) to the Halifax County Law Enforcement Officers Association for a memorial to officers slain in the line of duty.

Seven hundred fifty dollars ($750.00) to the Concerned Citizens of Tillery for a recreational facility.

Five hundred dollars ($500.00) to the Town of Enfield for the Happy Hearts Club of Enfield, a senior citizens club, to provide transportation and other services for senior citizens.

One thousand dollars ($1,000) to the Halifax County Historical Association for operating expenses in its production of the "First in Freedom" drama.

One thousand five hundred dollars ($1,500) to the Southern Halifax Human Development Council, Incorporated, for a day care center for the benefit of the citizens of southern Halifax County.

One thousand dollars ($1,000) to the Scotland Neck Volunteer Fire/Rescue for equipment.

Five hundred dollars ($500.00) to the Lillie Pike Sullivan Municipal Library in Enfield to purchase encyclopedias.

H1730 WAYNE CO. FIREMEN'S FUNDS

Fifteen thousand dollars ($15,000) to Wayne County for the Wayne County Firemen's Association for the development of a training center.

H1731 MAURY COMMUNITY CTR. FUNDS

One thousand dollars ($1,000) to the Town of Maury for the community center for the purchase of equipment.

H1732 CLEVELAND CHILDREN'S CENTER FUNDS

Ten thousand dollars ($10,000) to Cleveland County to support the children's service programs of the Children's Center.

H1733 POLK COUNTY HOSPICE FUNDS

Three thousand dollars ($3,000) to Hospice of Polk County, Inc., for operating expenses and staff needed to provide services for the terminally ill.

H1734 GIBSON RENOVATION FUNDS

Five thousand dollars ($5,000) to the Town of Gibson in Scotland County for renovation of town facilities.

H1740 WARREN CO. PROJECTS FUNDS

Three thousand five hundred dollars ($3,500) to Warren County for renovations of the Warren County Courthouse.

One thousand five hundred dollars ($1,500) to The Coordinating Council for Senior Citizens of Warren County, North Carolina, to repair the roof of the senior citizens center.

One thousand dollars ($1,000) to the Warrenton Rural Voluntary Fire Association, Inc., for operating expenses and equipment.

One thousand five hundred dollars ($1,500) to the Arcola Rural Volunteer Fire Department, Inc., for a fire truck.

H1741 PERSON PLACE FUNDS

Ten thousand dollars ($10,000) to the Person Place Preservation Society, Inc, for continued restoration of the Person Place in Franklin County.

H1748 DAY CARE IN ORANGE COUNTY

Five thousand dollars ($5,000) to Day Care Services Association, Inc., in Orange County, for day care scholarships for children of low-income families.

H1749 MCDOWELL RECREATION CENTER FUNDS

Fifteen thousand dollars ($15,000) to McDowell County for a recreational center. These funds shall be matched on a two-to-one, local-to-State funds match. These funds may be contributed to a nonprofit foundation or corporation if the County Commissioners determine that a center can best be built by such an organization.

H1750 JONES COUNTY AGRICULTURAL CENTER FUNDS

Three thousand dollars ($3,000) to Jones County for the Jones County Civic Center Committee for the construction of an agricultural center.

H1751 SWORD OF PEACE FUNDS

Twenty-five thousand dollars ($25,000) to the Snow Camp Historical Drama Society, Inc., for operating the "Sword of Peace" outdoor drama.

H1755 NASH COUNTY CULTURAL CTR. FUNDS

Five thousand dollars ($5,000) to the Nash County Cultural Center, Inc., for the development of its programs and for building renovations.

H1756 BRIGADE BOYS CLUB FUNDS

Seven thousand dollars ($7,000) to the Brigade Boys Club, Inc., for capital improvements that will provide a recreational center for the youth of the area.

H1757 HAW RIVER ASSEMBLY FUNDS

Seven thousand dollars ($7,000) to the Haw River Assembly, Inc., to fund studies of the relationship, if any, between the water quality of the Haw River and the cancer mortality rate in the Village of Bynum in Chatham County.

H1758 CLAY ACTIVITY BUS FUNDS

Four thousand dollars ($4,000) to the Clay County Board of Education towards the purchase of an activity bus for the Clay County Schools.

H1760 BELL-JOHNSTON COMMUNITY CENTER

Nine thousand dollars ($9,000) to the Town of Pineville for the building fund established to construct the Bell-Johnston Community Center.

H1761 ADAM PROGRAM FUNDS

Ten thousand dollars ($10,000) to Mecklenburg County to help support the ADAM (Against Domestic Assaults by Men) Program offered by the United Family Services Agency.

H1763 RURAL HALL FIRE FUNDS

Eight thousand dollars ($8,000) to the Town of Rural Hall to construct a facility to house fire-fighting equipment.

H1764 SHEPHERD'S CENTER OF KERNERSVILLE FUNDS

Five thousand dollars ($5,000) to The Shepherd's Center of Kernersville, Inc., to provide services for older adults in eastern Forsyth County.

H1765 NATURE SCIENCE CENTER FUNDS

Ten thousand dollars ($10,000) to the Nature Science Center of Forsyth County, Inc., to continue its public exhibitions and educational programs which are available to the public.

H1766 WINSTON-SALEM RESCUE FUNDS

Two thousand five hundred dollars ($2,500) to Winston-Salem Rescue Squad, Incorporated, to assist in purchasing a rescue truck.

H1767 HISTORIC BETHABARA PARK FUNDS

Six thousand dollars ($6,000) to the Department of Cultural Resources for the Historic Bethabara Park Gardens Restoration Project to be used for the archaeological investigation and subsequent exhibition of the historically significant Bethabara Community Gardens site.

H1768 RAEFORD-HOKE DEPOT ROOF FUNDS

Four thousand dollars ($4,000) to the Raeford-Hoke Chamber of Commerce, Inc., for the costs of replacing the roof of the depot building.

H1769 SCOTLAND ARTS COUNCIL FUNDS

Four thousand dollars ($4,000) to the Scotland Arts Council, Inc., to promote cultural arts in Scotland County.

H1770 BIG MARSH VOL. FIRE FUNDS

Three thousand five hundred dollars ($3,500) to the Big Marsh Volunteer Fire Department of Robeson County, Inc., to purchase a truck and equipment.

H1771 HIGHLAND GAMES FUNDS

Three thousand dollars ($3,000) to the Flora MacDonald Highland Games, Ltd., to purchase equipment, construct platforms, and make renovations for the Highland Games in Robeson County.

H1772 RED SPRINGS REVITALIZATION FUNDS

Four thousand dollars ($4,000) to the Town of Red Springs to revitalize the downtown area of Red Springs.

H1773 PARKTON CIVIC BLDG. REPAIRS FUNDS

Four thousand dollars ($4,000) to the Town of Parkton to repair the roof of the old national guard armory which has been converted to a recreational center for the community.

H1774 PITT FARM MUSEUM FUNDS

One thousand seven hundred fifty dollars ($1,750) to the Pitt County American Legion Agricultural Fair, Inc., for maintenance and expansion of the Farm Museum.

H1775 GREENVILLE AMPHITHEATER FUNDS

One thousand dollars ($1,000) to the City of Greenville for the construction of an amphitheater and to purchase related equipment, provided that the sum of one thousand dollars ($1,000) is raised in non-State funds to match this appropriation.

H1776 GREENVILLE ART MUSEUM FUNDS

Five hundred dollars ($500.00) to the Greenville Museum of Art, Incorporated, for renovations, provided that the same amount of non-State funds is raised to match this appropriation on a dollar-for-dollar basis.

H1777 PITT RESCUE BUILDING FUNDS

One thousand dollars ($1,000) to Pitt County for construction of a rescue building and to purchase furnishings, provided the sum of one thousand dollars ($1,000) is raised in non-State funds to match this

appropriation.

H1778 GRIMESLAND IMPROVEMENTS FUND
One thousand dollars ($1,000) to the Town of Grimesland for town improvements.

H1779 UNITED CEREBRAL PALSY OF N.C. FUNDS
One thousand dollars ($1,000) to the United Cerebral Palsy of North Carolina, Inc., in Pitt County for the purchase of equipment and supplies for the Greenville Developmental Center.

H1780 AYDEN RURAL FIRE FUNDS
Two hundred fifty dollars ($250.00) to the Ayden Rural Fire Association, Incorporated, Pitt County, for the Ayden Rural Fire Department, for a fire truck.

H1781 GRIFTON IMPROVEMENT FUNDS
Three thousand dollars ($3,000) to the Town of Grifton for depot renovations and town improvements.

H1782 PITT RETARDED CITIZENS FUNDS
One thousand dollars ($1,000) to the Pitt County Association for Retarded Citizens, Inc., for its "Laughinghouse Fund".

H1783 AYDEN RECREATION FUNDS
Three thousand five hundred dollars ($3,500) to the Town of Ayden for Ayden's recreation program to purchase equipment.

H1784 PITT HISTORICAL SOCIETY FUNDS
One thousand dollars ($1,000) to the Pitt County Historical Society, Inc., for surveys and supplies.

H1785 AYCOCK JR. HIGH ATHLETIC FUNDS
One thousand dollars ($1,000) to the Pitt County Board of Education for E. B. Aycock Junior High School for the Rose - Aycock Athletic Foundation for capital improvements, provided the same amount of non-State funds is raised to match this appropriation on a dollar-for-dollar basis.

H1786 PITT SCHOOL FUNDS
Three thousand dollars ($3,000) to the Pitt County Board of Education for band uniforms and athletic equipment in the Pitt County High Schools.

H1787 EDUCATIONAL ENRICHMENT PGM. FUNDS

One thousand dollars ($1,000) to the Educational Enrichment Program, Incorporated, in Greene County for operating expenses and to purchase supplies.

H1788 FLUE-CURED TOBACCO FUNDS

One thousand five hundred dollars ($1,500) to the Southern Flue-Cured Tobacco Festival, Inc., for supplies and for promotion of the Pitt County Tobacco Festival.

H1789 PITT EDUCATIONAL FOUNDATION FUNDS

Five hundred dollars ($500.00) to the Pitt County Educational Foundation, Inc., for program development, provided the same amount of non-State funds is raised to match this appropriation on a dollar-for-dollar basis.

H1791 JONES COMMUNITY ACTION FUNDS

One thousand dollars ($1,000) to the Faison Community Action Club for improvement of facilities.

H1792 SCOTLAND HISTORIC PROP. FUNDS

Four thousand five hundred dollars ($4,500) to Scotland County for Scotland County Historic Properties Commission to repair and maintain the John Blue House.

H1794 RICHMOND SCHOOL GUIDANCE FUNDS

Twenty-eight thousand dollars ($28,000) to the Richmond County Board of Education for a systematic academic/career guidance services program for grades 7-12 through the use of computer technology and contemporary career guidance software in conjunction with individual and small group counseling services. Of these funds, the sum of sixteen thousand dollars ($16,000) shall be used for Richmond Senior High School and the sum of twelve thousand dollars ($12,000) shall be used for the Richmond County junior high schools.

H1795 LUMBERTON DOWNTOWN RESTORATION FUNDS

Five thousand dollars ($5,000) to the City of Lumberton for the downtown restoration program of Lumberton Economic Advancement for Downtown, Inc.

H1796 HOKE LITERACY COUNCIL FUNDS

Seven thousand five hundred dollars ($7,500) to the Hoke County Reading-Literacy Council, Inc., to continue an adult tutorial program in Hoke County.

H1797 TYLERTOWN FIRE DEPT. FUNDS

Five thousand dollars ($5,000) to Hoke County for equipment for the Tylertown Volunteer Fire Department.

H1798 DAVIDSON MEALS FUNDS

Ten thousand dollars ($10,000) to the Town of Davidson to assist in operating the Hot Meals Program in North Mecklenburg County.

H1799 FARMVILLE ARTS COUNCIL FUNDS

One thousand dollars ($1,000) to The Farmville Arts Council, Inc., to promote the arts.

H1800 FARMVILLE CHILD-DEVELOP. CTR. FUNDS

Seven hundred fifty dollars ($750.00) to the Farmville Child-Developmental Center, Inc., to purchase equipment and supplies.

H1801 PITT HOSPITAL PROGRAM FUNDS

Seven hundred dollars ($700.00) to Pitt County Memorial Hospital, Incorporated, for staffing of the advance counseling education program to provide emotional support and counseling to patients and their families.

H1802 WINTERVILLE HISTORICAL AND ARTS SOC. FUNDS

One thousand dollars ($1,000) to the Winterville Historical and Arts Society for the cost of surveys and to purchase supplies.

H1804 BLADEN COUNTY PROJECTS FUNDS

One thousand dollars ($1,000) to Bladen County for capital expenses of the 4-H program which benefits and enriches the youth of that county.

One thousand dollars ($1,000) to Bladen County for the Bladen Springs Community Building which serves as a meeting center for the citizens of that community.

One thousand dollars ($1,000) to the Town of Dublin for the Dublin Community Building which serves as a meeting center for the citizens of that community.

H1805 BLADEN IMPROVEMENT ASSOC. FUNDS

One thousand dollars ($1,000) to the Bladen County Improvement Association, Inc., for expenses of its public service projects.

H1806 BURGAW DEPOT/RAIL LINE PROJECT FUNDS

One thousand dollars ($1,000) to the Town of Burgaw for the Burgaw depot restoration project.

One thousand dollars ($1,000) to the Town of Burgaw for the rail line project.

H1807 SAMPSON ALUMNI FUNDS

One thousand dollars ($1,000) to the Sampson High School Alumni Association, Incorporated, for the public education support programs of the Association.

H1808 SAMPSON COMMUNITY THEATRE FUNDS

One thousand dollars ($1,000) to the Sampson Community Theatre, Inc., which serves as a cultural and social center for the people of Sampson County, for the support of its program and services.

H1809 EAST ARCADIA GYM FUNDS

One thousand dollars ($1,000) to the Town of East Arcadia in Bladen County to enable the town to restore the town gymnasium, which serves as an important recreational and social center for the Town of East Arcadia.

H1810 SAMPSON SCHOOL ARTS FUNDS

One thousand dollars ($1,000) to Sampson County Board of Education for the Sampson County Schools' Arts Enrichment Projects.

H1811 BLADENBORO COMM. BLDG. FUNDS

One thousand dollars ($1,000) to the Town of Bladenboro to improve the Bladenboro Community Building.

H1812 ELIZABETHTOWN REVITALIZATION/TORY HOLE THEATRE FUNDS

One thousand dollars ($1,000) to the Town of Elizabethtown for a revitalization project.

One thousand dollars ($1,000) to the Town of Elizabethtown for the Tory Hole Amphitheatre which offers productions for the entire community.

H1813 ATKINSON PARK FUNDS

One thousand dollars ($1,000) to the Town of Atkinson for an athletic field.

H1816 WILKESBORO CEMETERY FUNDS

Ten thousand dollars ($10,000) to the Town of Wilkesboro to fence, clean up and maintain the town cemetery, a cemetery of historical significance located near the Presbyterian Church and bordered by Corporation and Henderson Streets.

H1817 MARTIN CO. PROJECTS FUNDS

One thousand five hundred dollars ($1,500) to Robersonville Community Hospital, Inc., in Martin County for operating expenses.

One thousand five hundred dollars ($1,500) to the Town of Parmele for a community senior citizens facility.

One thousand dollars ($1,000) to Martin County for renovations of the Martin County Courthouse.

One thousand dollars ($1,000) to the Town of Hamilton for the Summer Youth Program to provide recreational opportunities for the youth of Hamilton.

One thousand dollars ($1,000) to the Hamilton Fire Department for operating expenses and equipment.

Five hundred dollars ($500.00) to the Martin Community Players, Inc., for operating expenses and equipment to support its stage productions.

One thousand dollars ($1,000) to the Martin County Hospital for the Pittman Clinic in Oak City for operating expenses.

H1820 CRAVEN, PAMLICO, LENOIR FUNDS

Five thousand dollars ($5,000) to United Tri-County Lenoir Citizens Corporation, Incorporated, for services to the older adults of Craven, Pamlico, and Jones Counties, for services, including nutrition, education, socialization, and transportation services.

Four thousand dollars ($4,000) to the Hugo Volunteer Fire Department, Inc., to help purchase a brush truck.

Five thousand dollars ($5,000) to the Coastal Women's Shelter Board, Inc., to operate and expand the Shelter's program of assistance to victims of family violence.

Three thousand two hundred fifty dollars ($3,250) to the Pamlico County Rescue Squad to aid in the purchase of 3 "Laerdal Heartstart 2000" semiautomatic defibrillators to provide better emergency medical services in Pamlico County.

Two thousand dollars ($2,000) to the North Carolina Fisheries Association, Inc., to promote the commercial fishing industry.

One thousand dollars ($1,000) to Craven County for the Craven County Board on Aging's Information and Referral Service.

One thousand dollars ($1,000) to Big Brothers/Big Sisters of the Lower Neuse for operating expenses incurred in providing services for children of single parents by matching these children with adult volunteers and providing these children with valuable and needed positive adult relationships.

Two thousand five hundred dollars ($2,500) to the Harvey Gardens of Kinston, Inc., to provide landscaping funds for the further development of the old Harvey School grounds into a public park.

Three thousand dollars ($3,000) to the Town of La Grange for the La Grange Library Committee of the La Grange Chamber of Commerce for renovating an existing building for use as a library or for planning for building a new library facility.

One thousand dollars ($1,000) to Safe in Lenoir County, Inc., to provide assistance to victims of domestic crimes.

Two thousand five hundred dollars ($2,500) to the Havelock Community Improvement Association, to aid in renovating the Harlowe Community Building.

Two thousand dollars ($2,000) to the Adkin High School Alumni and Friends, Inc., to renovate the abandoned Adkin High School Building to be used as a community center in Kinston.

One thousand five hundred dollars ($1,500) to Caswell County for the Caswell Fire Company #1 Station, to restore the fire station.

One thousand dollars ($1,000) to the A.A. Cunningham Air Museum Foundation, Inc., to aid in establishing the museum.

One thousand dollars ($1,000) to the Boy's Club of Lenoir County, Inc., to help support the Club's programs for young people.

One thousand two hundred fifty dollars ($1,250) to Help is on the Way, to provide funds to fight drug and alcohol related problems in the New Bern area.

Three thousand dollars ($3,000) to the Town of Pink Hill for the Pink Hill Business and Professional Club, for the Club's work renovating and updating buildings in Pink Hill and promoting Pink Hill in order to attract new residents.

H1823 SMITH STREET COMMUNITY FUNDS

Twelve thousand dollars ($12,000) to the Town of Mount Olive for restoring and renovating the Smith Street Community Center.

H1824 LIVESTOCK ASS'N SCHOLARSHIP FUNDS

Eleven thousand dollars ($11,000) to the Wayne County Livestock Development Association, Incorporated, for a scholarship endowment

fund, to provide scholarship assistance to students pursuing careers in agriculture or natural resource development, in public and private North Carolina institutions of higher education.

H1825 WAYNE CO. SHELTERED WORKSHOP FUNDS

Thirteen thousand five hundred dollars ($13,500) to Wayne County Sheltered Workshop, Inc., for operating expenses and transportation costs.

H1827 STEDMAN FUNDS

Seven thousand dollars ($7,000) to the Town of Stedman for its emergency fund.

H1828 FALCON TOWN HALL FUNDS

Five thousand dollars ($5,000) to the Town of Falcon for construction of a Falcon Town Hall Facility.

H1829 CUMBERLAND RESCUE SQUAD FUNDS

Three thousand dollars ($3,000) to the Cumberland County Rescue Squad for radio equipment.

H1830 HOPE MILLS SENIOR CITIZENS FUNDS

Two thousand five hundred dollars ($2,500) to Hope Mills Senior Citizens, Inc., for payment on its Farmers Home Administration mortgage loan.

H1831 YMI CULTURAL CENTER FUNDS

Five thousand dollars ($5,000) to the YMI Cultural Center, Inc., to preserve and restore the center, which is listed on the National Register of Historic Places.

H1832 THOMS HOSPITAL FUNDS

Two thousand five hundred dollars ($2,500) to Thoms Rehabilitation Hospital Health Services Corporation in Asheville, to support THIP, its transitional head injury program.

H1833 FRANKLIN PARK POOL FUNDS

Five thousand dollars ($5,000) to the City of Brevard for repairs and renovations to the Franklin Park Pool.

H1834 ROBESON EMERGENCY SERVICES FUNDS

Seven thousand dollars ($7,000) to Robeson County for the Robeson County Emergency Service.

H1835 GADDY'S COMMUNITY CENTER FUNDS

Two thousand dollars ($2,000) to Robeson County for Gaddy's Community Center.

H1837 SCOTLAND LITERACY FUNDS

Seven thousand five hundred dollars ($7,500) to the Scotland County Literacy Council for operating expenses incurred in encouraging improved literacy and enabling people who were illiterate to gain essential literacy skills.

H1838 RENNERT TOWN IMPROVEMENTS FUNDS

Two thousand dollars ($2,000) to the Town of Rennert to renovate the Nutrition Center and for drainage.

H1839 RAYNHAM TOWN HALL FUNDS

Three thousand dollars ($3,000) to the Town of Raynham for construction of a town hall.

H1840 ROBESON LITTLE THEATRE FUNDS

One thousand dollars ($1,000) to the Robeson Little Theatre, Incorporated, a nonprofit corporation, for operating expenses for community theatre productions.

H1842 MCCROREY YMCA FUNDS

Four thousand dollars ($4,000) to the Young Men's Christian Association of Charlotte and Mecklenburg for the Community Services Program (Outreach) at the McCrorey Branch.

H1844 CHARLOTTE AREA FUND FUNDS

Five thousand dollars ($5,000) to the Charlotte Area Fund, Inc., for client assistance, books, utilities, transportation, operational needs not covered by the agency grant, and other expenses related to its learning center program which benefits the citizens of the area.

H1845 BETHLEHEM CENTER-CHARLOTTE FUNDS

Four thousand dollars ($4,000) to The Bethlehem Center of Charlotte, Inc., for their youth employment program.

H1846 GREENVILLE A.M.E. ZION FUNDS

Four thousand dollars ($4,000) to Greenville Memorial A.M.E. Zion, Inc., to purchase playground equipment for the Greenville Memorial A.M.E. Zion Day Care Center in Charlotte and to provide operating expenses for the center which provides day care to low income children regardless of their families' religious affiliation.

H1847 PITT CHILD DEVELOPMENT FUNDS

Two thousand five hundred dollars ($2,500) to the Pitt County Mental Health Center for the Child Development Center for equipment and supplies to provide services to children in need.

H1851 TABOR CITY LIBRARY FUNDS

Nine thousand dollars ($9,000) to the Tabor City Community Library Association, Inc., to aid in the construction of a new public library in Tabor City.

H1852 FAIR BLUFF LIBRARY FUNDS

Two thousand dollars ($2,000) to the Fair Bluff Community Library Association, Inc., to aid in re-roofing the public library in Fair Bluff.

H1853 LAKE WACCAMAW IMPROVEMENTS FUNDS

One thousand dollars ($1,000) to the Town of Lake Waccamaw to aid the town in the control of aquatic weed growth in the canal adjacent to Canal Drive.

H1854 STRAWBERRY FESTIVAL FUNDS

One thousand dollars ($1,000) to The North Carolina Strawberry Festival at Chadbourn, N.C., Inc., for the 1988 Strawberry Festival.

H1855 COLUMBUS ACTIVITY CENTER FUNDS

One thousand dollars ($1,000) to the Ransom Activity Center, Inc., to aid in the construction of an activity center to serve all the citizens of eastern Columbus County.

H1856 TABOR CITY COURTHOUSE FUNDS

One thousand dollars ($1,000) to the Town of Tabor City for necessary improvements to the satellite courthouse in Tabor City which serves western and southern Columbus County.

H1857 LAKE WACCAMAW DEPOT MUSEUM FUNDS

One thousand dollars ($1,000) to the Lake Waccamaw Depot Museum, Inc., for expenses in preserving and maintaining the old depot and in preserving local artifacts.

H1861 CLEVELAND CO. HISTORICAL MUSEUM

Four thousand dollars ($4,000) to the Cleveland County Historical Association for the Cleveland County Historical Museum, for operating expenses incurred in making the history of Cleveland County available to the people.

H1862 LIFE ENRICHMENT CENTER FUNDS

Eight thousand dollars ($8,000) to Life Enrichment Center of Cleveland County, Inc., for operating expenses incurred in providing its public services.

H1863 CLEVELAND HOSPICE FUNDS

Seven thousand dollars ($7,000) to Hospice of Cleveland County, Inc., to provide services to terminally ill patients and their families.

H1865 CHARLOTTE HOUSING YOUTH SERVICE FUNDS

Four thousand dollars ($4,000) to the Housing Authority of the City of Charlotte Youth Service Department for a scholarship program for public housing youth.

H1866 CHARLOTTE MECKLENBURG YOUTH FUNDS

Nine thousand dollars ($9,000) to Charlotte Mecklenburg Youth Council for operations and programs.

H1867 SICKLE CELL DISEASE-CHARLOTTE FUNDS

Ten thousand dollars ($10,000) to the Association for Sickle Cell Disease for Charlotte-Metrolina, Inc., for counseling, testing, outreach, and follow-up programs.

H1868 WAKE RESPITE/ARTS TOGETHER FUNDS

One thousand five hundred dollars ($1,500) to the Wake County Council on Aging, Inc., for operating expenses, to enable the Council to continue its respite care program.

One thousand five hundred dollars ($1,500) to Arts Together, Inc., for restoration of the historic Tucker Carriage House for educational programs in the arts.

H1869 WOMEN'S RESOURCE CENTER

Two thousand dollars ($2,000) to the North Carolina Council of Women's Organizations, Inc., for the Women's Resource Center to develop its program.

H1870 INGOLD COMMUNITY BUILDING FUNDS

Two thousand four hundred dollars ($2,400) to the Town of Ingold for building repairs to the Ingold Community Center.

H1871 ROWAN COMMUNITY BUILDING FUNDS

One thousand six hundred dollars ($1,600) to the Town of Rowan for repairs to the Rowan Community Building.

H1872 MAPLE HILL CIVIC CTR. FUNDS

Two thousand four hundred dollars ($2,400) to Pender County for the construction of the Maple Hill Civic Center.

H1873 BLADENBORO COMMUNITY CENTER FUNDS

Four thousand dollars ($4,000) to Bladen County for repairs to the Bladenboro Community Building.

H1874 AUTRYVILLE FIRE DEPT. FUNDS

One thousand six hundred dollars ($1,600) to the Town of Autryville for capital improvements to the Autryville Fire Department Building.

H1875 GARLAND SENIOR CENTER FUNDS

One thousand six hundred dollars ($1,600) to the Town of Garland for repairs to the Garland Senior Center.

H1876 HARRELLS COMM. BLDG. FUNDS

Two thousand four hundred dollars ($2,400) to the Town of Harrells for repairs to the Community building.

H1877 V.F.W. POST #9826 FUNDS

One thousand six hundred dollars ($1,600) to Pender County for the Post #9826 of the Veterans of Foreign Wars for construction of a headquarters building to better serve North Carolinians who are veterans.

H1878 BURGAW DEPOT PRESERVATION FUNDS

One thousand six hundred dollars ($1,600) to the Burgaw Depot Historic Preservation Foundation for historic building preservation.

H1879 BELVOIR COMM. BUILDING FUNDS

One thousand six hundred dollars ($1,600) to Sampson County for repairs to the Belvoir Community Building.

H1880 BLADEN HIGH SCHOOL BOOSTER FUNDS

One thousand six hundred dollars ($1,600) to Bladen County for the Tar Heel Booster Club of Tar Heel High School in Bladen County for athletic field construction.

H1881 EZZELL OUTREACH FUNDS

One thousand six hundred dollars ($1,600) to Sampson County for the Ezzell Outreach to fund subsidized nonprofit day care services.

H1882 CLARKTON HIGH SCHOOL FIELD FUNDS

One thousand six hundred dollars ($1,600) to Bladen County for the Clarkton Athletic and Academic Association for athletic field construction.

H1883 CLINTON H. S. BOOSTER CLUB FUNDS

Four thousand dollars ($4,000) to the Sampson County Board of County Commissioners to the Clinton High School Booster Club for restroom construction at Clinton High School.

H1884 HICKORY GROVE VFD FUNDS

Two thousand four hundred dollars ($2,400) to the Hickory Grove Volunteer Fire Department, Inc., of Bladen County for supplies and operational funds.

H1885 PENDER SENIOR CENTER FUNDS

One thousand six hundred dollars ($1,600) to Pender County for the Senior Center's programs.

H1887 COHARIE INTERTRIBAL COUNCIL FUNDS

Two thousand four hundred dollars ($2,400) to the Coharie Intertribal Council for Council public service programs.

H1888 SAMPSON ALUMNI ASSN. FUNDS

One thousand six hundred dollars ($1,600) to the Sampson High School Alumni Association, Incorporated, for restoration of a school building for use as a headquarters building, to enable the association to carry out its public service projects.

H1889 HARMONY HALL FUNDS

Two thousand four hundred dollars ($2,400) to the Bladen County Historical Society for restoration of historic Harmony Hall.

H1891 BIG BROS./SISTERS OF LOWER NEUSE FUNDS

One thousand dollars ($1,000) to Big Brothers/Big Sisters of the Lower Neuse for operating expenses incurred in providing services for children of single parents by matching these children with adult volunteers and providing these children with valuable and needed positive adult relationships.

H1892 RAILWAY HISTORICAL SOCIETY FUNDS

Four thousand dollars ($4,000) to the East Carolina Chapter, National Railway Historical Society, Inc., for the North Carolina

Railway Museum and its operating component, the New Hope Valley Railway, headquartered at Bonsal in Wake County and located in Wake and Chatham counties, for restorations and operations.

H1893 WAKE COUNTY ARTS COUNCIL FUNDS

Two thousand dollars ($2,000) to the Wake County Arts Council, Inc., a nonprofit organization which develops and supports cultural programs for all Wake County citizens, to be used: to expand the role of the Wake County Arts Council; to ensure the future growth of the arts in Wake County; to develop awareness of and interest in the arts in Wake County's eleven other municipalities; to continue to reach special population citizens; and to serve as an umbrella organization for all of Wake County's arts endeavors.

H1896 ROCKFORD PRESERVATION SOCIETY

Five thousand dollars ($5,000) to The Rockford Preservation Society, Inc., for preservation projects.

H1897 SPRING LAKE SENIOR FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Spring Lake to be used for transportation and outreach programs at the Spring Lake Senior Citizens Center.

H1898 HOPE MILLS SUNSHINE CTR. FUNDS

Two thousand five hundred dollars ($2,500) to the Hope Mills Sunshine Center to be used for transportation and outreach programs for senior citizens.

H1899 MYROVER-REESE FUNDS

Two thousand five hundred dollars ($2,500) to Myrover-Reese Fellowship Home, Inc., the oldest halfway house in Fayetteville, for its building fund.

H1900 STEDMAN WATER SYSTEM FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Stedman for improvements to the water system.

H1901 CUMBERLAND PUBLIC LIBRARY FUNDS

Three thousand seven hundred fifty dollars ($3,750) to the Cumberland County Public Library to purchase video cassettes.

H1902 HOPE MILLS LAW FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Hope Mills for improvement of the law enforcement center.

H1903 MILITARY MUSEUM FUNDS

Two thousand five hundred dollars ($2,500) to the City of Fayetteville for the Fayetteville Independent Light Infantry to purchase a case for some of the artifacts in its military historic museum.

H1904 CAPE FEAR TEEN FUNDS

Two thousand five hundred dollars ($2,500) to the Cape Fear Teen Center to establish a teen center.

H1905 CUMBERLAND RESCUE FUNDS

Two thousand five hundred dollars ($2,500) to the Cumberland County Rescue Squad for radio and training equipment.

H1906 SHELTERED WORKSHOP FUNDS

Two thousand five hundred dollars ($2,500) to the Cumberland Sheltered Workshop, Inc., in Fayetteville to install loading docks at its facility.

H1907 PEOPLE ASSISTING VICTIMS FUNDS

Two thousand five hundred dollars ($2,500) to the People Assisting Victims to help support its public service program which offers assistance to people who are crime victims.

H1908 SE CUMBERLAND COMMUNITY FUNDS

Two thousand five hundred dollars ($2,500) to Cumberland County, for educational programs and playground equipment and repairs.

H1909 STEDMAN WATER FUNDS

Five thousand ($5,000) to the Town of Stedman to improve the town water system.

H1911 CUMBERLAND SENIOR CITIZENS FUNDS

One thousand dollars ($1,000) to Hope Mills Senior Citizens, Inc., for the Hope Mills Senior Citizen's Service Center.

One thousand dollars ($1,000) to the Cumberland County Association for Indian People for senior citizen's programs and other public service programs.

One thousand dollars ($1,000) to the Spring Lake Senior Citizens' Club, Inc., for senior citizens' programs.

One thousand dollars ($1,000) to the City of Fayetteville for the expenses of the Fayetteville-Cumberland Senior Citizen's Center in providing services to senior citizens.

H1913 CUMBERLAND WORKSHOP FUNDS

Fifteen thousand dollars ($15,000) to the Cumberland County Board of Education for improvements to the on-premises streets of the Cumberland Sheltered Workshop and for operating expenses and equipment.

H1914 HOPE MILLS LAW ENFORCEMENT FUNDS

Four thousand dollars ($4,000) to the Town of Hope Mills to improve the law enforcement building.

H1915 EASTOVER COMMUNITY PARK FUNDS

Five thousand dollars ($5,000) to the Eastover Community Park Association, Inc., for capital costs, operating expenses, and equipment for the park.

H1916 CAPE FEAR TEEN CENTER FUNDS

Four thousand dollars ($4,000) to the Cape Fear Teen Center for capital costs, operating expenses, and equipment.

H1917 CUMBERLAND RESCUE SQUAD FUNDS

Three thousand dollars ($3,000) to the Cumberland County Rescue Squad for capital costs, operating expenses, and equipment.

H1919 MAXTON REVITALIZATION FUNDS

Four thousand dollars ($4,000) to the Town of Maxton for revitalization of its downtown areas.

H1922 ELIADA HOME FUNDS

Five thousand dollars ($5,000) to Eliada Homes, Inc., for care of children at the Eliada Home for Children.

H1925 RONALD MCDONALD HOUSE FUNDS

One thousand dollars ($1,000) to Children's Services of Eastern Carolina, Inc., for equipment and supplies for the Ronald McDonald House in Pitt County.

H1926 FOUNTAIN TOWN IMPROVEMENTS FUNDS

One thousand dollars ($1,000) to the Town of Fountain for town improvements.

H1929 RUTHERFORD/CLEVELAND ADAP FUNDS

Four thousand dollars ($4,000) to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the Rutherford County ADAP Center,

for operating expenses incurred in providing services to developmentally disabled adults.

Four thousand dollars ($4,000) to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the Cleveland County ADAP Center, for operating expenses incurred in providing services to developmentally disabled adults.

H1933 LOUISBURG BEAUTIFICATION FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Louisburg for the town beautification program.

H1934 PINE LEVEL FIRE DEPT FUNDS

Five thousand dollars ($5,000) to the Pine Level Voluntary Fire Department, Inc., for capital improvement.

H1935 FRANKLIN INDIGENT CARE FUNDS

Five thousand dollars ($5,000) to the Franklin County Health Department for the Franklin County Health Department indigent care fund.

H1936 CUMBERLAND RESCUE SQUAD FUNDS

Two thousand five hundred dollars ($2,500) to the Cumberland County Rescue Squad for equipment.

H1937 HOPE MILLS LAW FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Hope Mills for the Hope Mills law enforcement facility, for operating expenses.

H1941 CUMBERLAND CO. INDIAN FUNDS

Two thousand five hundred dollars ($2,500) to the Cumberland County Association for Indian People to be used for transportation and outreach programs.

H1942 FAYETTEVILLE/CUMBERLAND SR. FUNDS

Two thousand five hundred dollars ($2,500) to the City of Fayetteville to be used for transportation and outreach programs at the Fayetteville-Cumberland County Senior Citizens Center.

H1943 CUMBERLAND CO. SHERIFF'S FUNDS

Three thousand seven hundred fifty dollars ($3,750) to Cumberland County for the Cumberland County Sheriff's Department for a treadmill and other equipment at its physical fitness center.

H1944 HIGH POINT ART COUNCIL/EMMANUEL CENTER FUNDS

Five thousand dollars ($5,000) to the High Point Arts Council, Incorporated, for a "Day in the Park" celebration, involving local and regional artists displaying their art for the public of High Point and the surrounding area.

Thirty-five thousand dollars ($35,000) to the Emmanuel Senior Enrichment Center, Inc., a nonprofit organization that provides Adult Day Care and Health Care Services in the High Point region, to purchase a wheelchair equipped, 22 passenger mini bus to better serve the participants in the program, to expand the Center's transportation service, and to provide services to those persons who are wheelchair bound.

H1948 SPECIAL OLYMPICS FUNDS

Four thousand dollars ($4,000) to Hospice of Cleveland County, Inc., for operating expenses of the Special Olympics Program.

H1950 WAYNE RESCUE SQUAD FUNDS

Two thousand dollars ($2,000) to the Fremont Rescue Squad, Inc., for equipment purchase and operating expenses.

Two thousand dollars ($2,000) to the Goldsboro Rescue Squad, Inc., for equipment purchase and operating expenses.

Two thousand dollars ($2,000) to the Grantham Rescue Squad, Inc., for equipment purchase and operating expenses.

Two thousand dollars ($2,000) to the Town of Mount Olive for the Mount Olive Rescue Squad for equipment purchase and operating expenses.

Two thousand dollars ($2,000) to the Seven Springs Area Rescue Squad, Inc., for equipment purchase and operating expenses.

H1952 CLEVELAND SENIOR FUNDS

Five thousand dollars ($5,000) to Cleveland County for the Cleveland County Senior Center in Shelby for operating expenses.

H1953 CLEVELAND CO. LIBRARY FUNDS

Four thousand dollars ($4,000) to the Cleveland County Memorial Library for operating expenses.

H1954 ROBESON SUBSTANCE ABUSE FUNDS

Two thousand dollars ($2,000) to the Robeson Health Care Corporation for a substance abuse awareness program and related materials.

H1955 MAXTON DAY CARE FUNDS

Two thousand five hundred dollars ($2,500) to the Maxton Day Care Council, Inc., for operating expenses for the adult day care program.

H1956 SCOTLAND ARTS COUNCIL FUNDS

One thousand dollars ($1,000) to the Scotland Arts Council, Inc., to promote the arts in Scotland County.

H1957 SCUFFLETON FIRE DEPARTMENT FUNDS

Four thousand dollars ($4,000) to the Scuffleton Rural Fire Association, Incorporated, for equipment for community fire protection.

H1958 FAIRMONT PROJECTS FUNDS

Seven thousand dollars ($7,000) to the Town of Fairmont to be used as follows:

(1) One thousand dollars ($1,000) for the Old Time Farmers Festival;

(2) Three thousand dollars ($3,000) for downtown revitalization; and

(3) Three thousand dollars ($3,000) to renovate the fire department building.

H1960 ROBESON COMMUNITY CENTER FUNDS

Eight thousand dollars ($8,000) to the Robeson County Church and Community Center, Inc., to be allocated as follows:

Four thousand dollars ($4,000) for its literacy project;

Four thousand dollars ($4,000) to provide scholarships for indigent day care.

H1961 WAGRAM REVITALIZATION FUNDS

Four thousand dollars ($4,000) to the Town of Wagram for revitalization of Wagram's downtown area.

H1962 ST. PAULS REVITALIZATION FUNDS

Four thousand dollars ($4,000) to the Town of St. Pauls for downtown revitalization.

H1963 HECTOR MacLEAN PUBLIC LIBRARY FUNDS

Two thousand five hundred dollars ($2,500) to the Robeson County Public Library for the Hector MacLean Public Library to purchase equipment for this new library.

H1964 ROBESON COUNTY MUSEUM FUNDS

Three thousand dollars ($3,000) to the Robeson County Bicentennial Foundation, Incorporated, for the museum in Robeson County for the purchase of cultural displays.

H1966 SHEPPARD MEMORIAL LIBRARY FUNDS

One thousand dollars ($1,000) to Sheppard Memorial Library in Pitt County to purchase books and supplies.

H1967 GREENE RECREATION FUNDS

One thousand dollars ($1,000) to Greene County for equipment for the county recreation department.

H1968 GRIFTON DEPOT RENOVATION FUNDS

Three thousand dollars ($3,000) to the Town of Grifton for renovation of the Grifton Railroad Depot for use as a community building, provided the Town raises the same amount of non-State funds to match this appropriation on a dollar-for-dollar basis.

H1969 CRISIS PREGNANCY FUNDS

Ten thousand dollars ($10,000) to the Charlotte Crisis Pregnancy Center, Inc., for operating expenses of its public service programs.

H1970 MATTHEWS HELP CENTER FUNDS

Five thousand dollars ($5,000) to the Matthews Community HELP Center to assist it in serving the needs of the poor and needy of Mecklenburg and Union Counties.

H1971 ADAM FUNDS

Five thousand dollars ($5,000) to United Family Services, Inc., for operating expenses of the ADAM (Against Domestic Assaults by Men) program.

H1972 MINT HILL HISTORICAL FUNDS

Ten thousand dollars ($10,000) to the Mint Hill Historical Society, Incorporated, for the purchase, renovation, and/or restoration of buildings of historic character within the Town of Mint Hill.

H1973 MATTHEWS COMM. CENTER FUNDS

Ten thousand dollars ($10,000) to Matthews Community Club, Inc., for the continued renovation and operation of the Matthews Community Center.

H1974 ROWLAND WATER AND SEWER FUNDS

Five thousand dollars ($5,000) to the Town of Rowland in Robeson County to correct a serious infiltration problem and bring the water and sewer system into compliance with State law.

H1975 CAPE FEAR DOMESTIC VIOLENCE SHELTER FUNDS

Three thousand five hundred dollars ($3,500) to Domestic Violence Shelter and Services of the Cape Fear Area, Inc., to continue to offer shelter and services to victims of domestic violence.

H1976 KATIE B. HINES SENIOR CTR. FUNDS

Three thousand dollars ($3,000) to Katie B. Hines Senior Center, Inc., in New Hanover County, to purchase supplies and equipment for the many public services and programs offered by the Center to senior citizens in New Hanover County.

H1977 SOUTHEASTERN SICKLE CELL FUNDS

Three thousand dollars ($3,000) to the Southeastern Sickle Cell Association, Incorporated, to help educate citizens about sickle cell disease and to assist patients suffering from sickle cell disease by helping with medical expenses, transportation arrangements, and other needs.

H1978 MYRTLE GROVE COMMUNITY CENTER FUNDS

Two thousand dollars ($2,000) to Myrtle Grove Community Center, Inc., for repairs and maintenance.

H1979 CROSSROADS OF WILMINGTON FUNDS

Seven thousand five hundred dollars ($7,500) to Crossroads of Wilmington, Inc., to assist with operating costs that will enable Crossroads to continue its tutorial and enrichment programs for children caught in the welfare cycle and to provide these children with equal educational and cultural opportunities.

H1980 INDIVIDUAL DEVELOPMENT FUNDS

Two thousand dollars ($2,000) to The Association for Individual Development for the Handicapped to continue its public service programs for autistic and mentally retarded children.

H1981 FRANKLINTON CITY HALL RENOVATION FUNDS

Five thousand dollars ($5,000) to the Town of Franklinton for the renovation of the city hall building.

H1982 FREMONT HEALTH FUNDS

Two thousand dollars ($2,000) to Fremont Concerned Citizens, Incorporated, for a health fair and medical screening clinic.

H1983 WINSTON-SALEM ARTS FUNDS

Ten thousand dollars ($10,000) to The Arts Council, Inc., in Winston-Salem for renovations to the Fourth Street Arts Council Building which serves as the Council's headquarters.

H1984 KINSTON SOFTBALL FUNDS

Two thousand five hundred dollars ($2,500) to the Kinston City School Board of Education for design and construction of a girls' softball field at Kinston High School.

H1985 YANCEY COUNTY E.M.S. FUNDS

Five thousand dollars ($5,000) to Yancey County for a communications system to serve emergency medical service providers.

H1987 SURRY FRIENDS OF YOUTH FUNDS

Five thousand dollars ($5,000) to Surry County Friends of Youth, Inc., for family counseling, a best friends program, supervision of juvenile restitution, and other services to troubled youth.

H1988 MT. AIRY WESTWOOD PARK FUNDS

Five thousand dollars ($5,000) to the Town of Mount Airy for landscaping in the expansion of Westwood Park.

H1994 SURRY AND ASHE FUNDS

Five thousand dollars ($5,000) to the Town of Pilot Mountain for the Pilot Mountain Recreation and Civic Center for exercise equipment and a fitness trail.

Two thousand five hundred dollars ($2,500) to the Surry County Arts Council to continue its arts programs which benefit the community.

Two thousand five hundred dollars ($2,500) to the Foothills Arts Council to continue its arts programs which benefit the community.

Ten thousand dollars ($10,000) to Ashe County Performing Arts to continue its arts programs which benefit the community.

H1995 SELF-RELIANCE FUNDS

Thirteen thousand dollars ($13,000) to the Experiment in Self-Reliance, Inc., to be allocated as follows:

(1) ten thousand dollars ($10,000) to purchase a four-wheel drive vehicle to provide emergency services

to the disadvantaged citizens of Winston-Salem, such as food and coal;

(2) three thousand dollars ($3,000) to continue services to the Gladiator Boxing Club for community youths.

H1998 EZZELL OUTREACH CTR. FUNDS

One thousand dollars ($1,000) to Sampson County for the James A. Ezzell Outreach Center, Inc., for operating expenses of its public service programs.

H1999 GREENE FIRE FUNDS

Eight thousand dollars ($8,000) to Greene County to make grants-in-aid for operating expenses, to be divided equally among the fire departments and rescue squads in Greene County.

H2000 FOOD BANK FUNDS

Seven thousand five hundred dollars ($7,500) to Food Bank of the Lower Cape Fear, in New Hanover County, to help with operating costs of its public service projects.

H2001 CUED SPEECH FUNDS

Three thousand dollars ($3,000) to Cued Speech Center, Inc., for the North Carolina Cued Speech Association in New Hanover County to conduct week-end workshops for family members of hearing impaired people and professionals to teach them how to use cued speech and to work with local schools in mainstreaming hearing impaired children.

H2002 MOTHER'S HELPER FUNDS

Two thousand five hundred dollars ($2,500) to Mother's Helper of Wilmington, N.C., to assist with operating costs of its public service programs to help indigent mothers with early childhood care.

H2003 FAMILIES IN CRISIS FUNDS

Two thousand five hundred dollars ($2,500) to Families In Crisis, Inc., to assist in the operating expenses of its public services for family members of inmates.

H2004 CAPE FEAR LITERACY COUNCIL FUNDS

Four thousand dollars ($4,000) to Cape Fear Literacy Council for its projects and services offered to provide educational opportunities to citizens of the area and to help eliminate illiteracy.

H2005 VETERAN'S MEMORIAL FUNDS

Six thousand five hundred dollars ($6,500) to The American Legion Department of North Carolina, Incorporated, American Legion Post #10 in New Hanover County, to erect a monument to U.S. Servicemen commemorating their valiant services and defense of the nation and their efforts to keep secure those freedoms treasured by all American citizens.

H2006 ST. THOMAS PRESERVATION FUNDS

Two thousand five hundred dollars ($2,500) to the Historic St. Thomas Preservation Society, Inc., to help maintain and restore historic St. Thomas Church in Wilmington.

H2007 GREATER WILMINGTON FOUNDATION FUNDS

One thousand nine hundred ten dollars ($1,910) to the Greater Wilmington Chamber Foundation for the cleaning, preserving, repairing, and restoration of monuments in the City of Wilmington.

H2008 WAKE LOCAL FUNDS

Two thousand dollars ($2,000) to Hospice of Wake County, Inc., for operating expenses in providing compassionate care for terminally ill patients and their families.

One thousand dollars ($1,000) to the Young Women's Christian Association of Wake County, North Carolina, Incorporated, for purchase of playground equipment for day care, nursery, day camp, and developmental disability purposes.

Two thousand dollars ($2,000) to the Council on Aging of Wake County, Inc., for the Total Life Center to be used to provide adult day care.

H2009 REPERTORY COMPANY/FINE ARTS FUNDS

Five thousand dollars ($5,000) to the North Carolina Black Repertory Company, Inc., to bring actors of national celebrity to this State to perform with the company, and to assist in training local actors of the company.

Five thousand dollars ($5,000) to the Winston-Salem Delta Fine Arts, Incorporated, to assist in providing arts and humanities programs, including exhibitions, classes, workshops, lectures, and performances by professional artists to the community, many of which are free of charge.

H2011 SICKLE CELL DISEASE FUNDS

Four thousand dollars ($4,000) to the Association for Sickle Cell Disease for Charlotte-Metrolina, Inc., for research, testing, outreach, and follow-up operations.

H2012 GETHSEMANE ENRICHMENT PROGRAM FUNDS

Four thousand dollars ($4,000) to The Gethsemane Enrichment Program, Inc., for services to poor inner-city youth.

H2015 N.C. WOMEN'S RESOURCE CENTER FUNDS

One thousand dollars ($1,000) to the North Carolina Council of Women's Organizations, Inc., for the Women's Resource Center.

H2017 ARTSPACE OF RALEIGH FUNDS

One thousand dollars ($1,000) to Artspace, Inc., in Wake County for operating expenses to promote and encourage the arts.

H2018 GREENE COUNTY BAND FUNDS

Three thousand five hundred dollars ($3,500) to the Greene County Board of Education for band uniforms and equipment.

H2021 CAROLINA BEACH RESCUE FUNDS

Three thousand dollars ($3,000) to Pleasure Island Volunteer Rescue Squad, Inc., at Carolina Beach for supplies and equipment.

H2022 BLOWING ROCK ARTS FUNDS

Ten thousand dollars ($10,000) to the Watauga County Arts Council, Inc., for the Blowing Rock Arts Center in Watauga County for capital improvements to the Center.

H2024 WATAUGA HISTORICAL MARKER FUNDS

Two thousand five hundred dollars ($2,500) to Watauga County to help with the cost of conducting a survey of historic sites and buildings in Watauga County and of placing historical markers as appropriate throughout the County.

H2025 WINSTON-SALEM ARTS COUNCIL FUNDS

Five thousand dollars ($5,000) to The Arts Council, Inc., in Winston-Salem to be applied towards renovations of the Fourth Street Arts Council Headquarters.

H2026 DUCKS UNLIMITED FUNDS

Six thousand dollars ($6,000) to the Mecklenburg Chapter of Ducks Unlimited for waterfowl conservation.

H2027 WAKE UP FOR CHILDREN FUNDS

One thousand dollars ($1,000) to the Wake County Child Advocacy Council for operating expenses for the Wake Up for Children Program.

H2029 WINSTON-SALEM YWCA FUNDS

Three thousand dollars ($3,000) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., to be allocated as follows:

(1) one thousand five hundred dollars ($1,500) for camperships for physically and mentally handicapped teenagers to attend the 10-week summer break day camp program; and

(2) one thousand five hundred dollars ($1,500) for camperships for children from low-income families to attend the 12-week Sunny Glade Day Camp.

Two thousand dollars ($2,000) to the Young Women's Christian Association of Winston-Salem and Forsyth County, Inc., for scholarships and direct assistance to women who have been affected by incarceration and are involved in Project New Start.

H2030 YOUNGSVILLE TOWN HALL FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Youngsville in Franklin County for the renovation of the Youngsville Town Hall.

H2031 CYSTIC FIBROSIS RESEARCH FUNDS

Eighteen thousand dollars ($18,000) to the North Carolina Chapter of the Cystic Fibrosis Foundation for the continuation of research into basic defects of the genes that cause cystic fibrosis at the W.M.C. Research Development Center.

H2032 PRINCETON WOMEN CLUB FUNDS

Two thousand dollars ($2,000) to the Town of Princeton for the Princeton Women Improvement Club for its town beautification program fund.

H2033 HOPE MILLS LAW BLDG. FUNDS

Twelve thousand dollars ($12,000) to the Town of Hope Mills to aid in the construction of a law enforcement building.

H2034 CAPE FEAR TEEN CENTER FUNDS

Seven thousand dollars ($7,000) to Cape Fear Teen Center for the construction and operation of a recreational center that will serve junior high and high school students throughout Cumberland County.

H2036 PEOPLE ASSISTING VICTIMS FUNDS

Three thousand five hundred dollars ($3,500) to People Assisting Victims for assistance to victims of crimes.

H2037 PITT SENIOR CITIZENS FUNDS

One thousand dollars ($1,000) to Pitt County Council on Aging for equipment and supplies for the Pitt County Senior Citizens Center.

H2038 RETARDED CITIZENS FUNDS

One thousand five hundred dollars ($1,500) to Greene County for the Greene County Chapter of the Association for Retarded Citizens of North Carolina, for operating expenses in providing services to retarded citizens.

H2039 WILLARLEA COMM. BLDG. FUNDS

One thousand dollars ($1,000) to the Willarlea Ruritan Club, Inc., for repairs to the Willarlea Community Building.

H2040 AUTRYVILLE OUTDOOR THEATRE FUNDS

One thousand dollars ($1,000) to the Town of Autryville, Sampson County, for an outdoor theatre project.

H2041 MAPLE HILL COMMUNITY FUNDS

One thousand dollars ($1,000) to the Maple Hill Community Center, Incorporated, as a grant-in-aid for general operating expenses for the center, to enable the center to continue to provide its community service programs.

H2042 PENDER FIRE DEP'TS FUNDS

Three thousand five hundred dollars ($3,500) to Pender County fire departments to be equally divided among the following fire departments for equipment and operating expenses:

(1) Atkinson City Fire Department,
(2) Burgaw Fire Department,
(3) Long Creek-Grady Volunteer Fire Department, Inc.,
(4) The Maple Hill Volunteer Fire Department, Incorporated,
(5) Penderlea Fire Department,
(6) Rocky Point Volunteer Fire Department, Inc., and
(7) Shiloh-Columbia Volunteer Fire Department, Inc.

H2043 BLADEN COUNTY FIRE DEPTS. FUNDS

Six thousand five hundred dollars ($6,500) to the Bladen County Fire Fighters Association, Inc., to be divided equally among the following fire departments in Bladen County:

(1) The Ammon Volunteer Fire Department, Inc.,
(2) Bladenboro Volunteer Fire Department,
(3) Carver's Creek Volunteer Fire Department,
(4) Clarkton Volunteer Fire Department,
(5) Dublin Volunteer Fire Department,
(6) The East Arcadia Volunteer Fire Department, Inc.,
(7) Elizabethtown Fire Department,
(8) Hickory Grove Volunteer Fire Department, Inc., of Bladen County,
(9) Kelly Volunteer Fire Department, Inc.,
(10) The Lisbon Volunteer Fire Department, Inc.,
(11) Tar Heel Volunteer Fire Department,
(12) White Lake Volunteer Fire Department, and
(13) White Oak Volunteer Fire Department, Inc.

Theses funds shall be used for operating expenses and to purchase equipment.

H2044 SAMPSON FIRE DEPT. FUNDS

Eight thousand dollars ($8,000) to Sampson Firemans Association, Inc., for the fire departments in Sampson County to be used for operating expenses and equipment. These funds shall be allocated to the fire departments as follows:

(1)	Autryville Area Fire Department, Inc.	$500.00
(2)	Clement Volunteer Fire Department, Inc.	500.00
(3)	Clinton Volunteer Fire Department	500.00
(4)	Garland Volunteer Fire Department	500.00
(5)	Halls Fire Department, Inc.	500.00
(6)	Herring Volunteer Fire Department, Inc.	500.00
(7)	Newton Grove Volunteer Fire Department, Inc.	500.00
(8)	Piney Grove Volunteer Fire Department, Inc., of Sampson County	500.00
(9)	Plain View Volunteer Fire Department, Inc.	500.00
(10)	Roseboro Area Fire Department, Inc.	500.00
(11)	Salemburg Volunteer Fire Dept., Inc.	500.00

(12)	Spivey's Corner Volunteer Fire Department, Inc.	500.00
(13)	Turkey Volunteer Fire Department, Inc.	500.00
(14)	Vann's Crossroads Volunteer Fire Department	500.00
(15)	Harrells Volunteer Fire Department, Inc.	1,000

Of the funds allocated to Harrells Volunteer Fire Department, Inc., the sum of five hundred dollars ($500.00) shall be used for the Ivanhoe satellite station.

H2045 OGDEN RESCUE SQUAD FUNDS

Three thousand dollars ($3,000) to Ogden-New Hanover Volunteer Rescue Squad, Inc., for capital improvements.

H2046 NEW HANOVER ARBORETUM FUNDS

Five thousand dollars ($5,000) to New Hanover County Extension Service Arboretum, Inc., for further development of the arboretum which offers the public an opportunity to enjoy and learn more about plants and their cultivation.

H2047 PINE FOREST CEMETERY FUNDS

Six thousand dollars ($6,000) to Pine Forest Cemetery Company to clear out, restore, and rehabilitate Pine Forest Cemetery, a public cemetery of historic significance in Wilmington.

H2048 COVE CREEK SENIOR CITIZENS FUNDS

Five thousand dollars ($5,000) to Watauga County for the Cove Creek Senior Citizens Organization to use to help support their public service projects.

H2050 CANETUCK COMMUNITY CENTER FUNDS

One thousand dollars ($1,000) to Pender County as a grant-in-aid for the Canetuck Community Center for general operating expenses.

H2051 PENDER SCHOOL BAND FUNDS

One thousand dollars ($1,000) to the Pender County Board of Education for the Pender County High School Band Boosters for band uniforms.

H2053 MOORES CREEK BATTLEGROUND FUNDS

One thousand dollars ($1,000) to the Moore's Creek Battleground Association for operating expenses of its historical and public interest programs.

H2054 PENDER SENIOR CENTER FUNDS

One thousand dollars ($1,000) to Pender County for the operating expenses of the Pender County Senior Citizens Center which serves the senior citizens of that area.

H2058 MECKLENBURG YOUTH COUNCIL FUNDS

Four thousand dollars ($4,000) to the Charlotte Mecklenburg Youth Council for services to senior citizens including hot meals, transportation, and recreation services.

H2060 AFRO-AMERICAN CULTURAL CENTER FUNDS

Four thousand dollars ($4,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc., for preservation of historical materials, display of historical materials, and outreach programs for the entire community.

H2061 MCCROREY BRANCH YMCA FUNDS

Three thousand dollars ($3,000) to the Young Men's Christian Association of Charlotte and Mecklenburg for operations at the McCrorey Branch for providing recreation services for inner-city youth and maintenance of facilities.

H2065 FUQUAY-VARINA RECREATION FUNDS

Five thousand dollars ($5,000) to the Town of Fuquay-Varina for recreation programs.

H2066 KNIGHTDALE PARK FUNDS

Five thousand dollars ($5,000) to the Town of Knightdale for the municipal park.

H2067 HOLLY SPRINGS FIRE DEPT. FUNDS

Two thousand dollars ($2,000) to the Town of Holly Springs for fire department operations.

H2068 GARNER RECREATION FUNDS

Five thousand dollars ($5,000) to the Town of Garner for senior citizen recreational programs.

H2069 GARNER FIRE DEPARTMENT FUNDS

Two thousand dollars ($2,000) to the Town of Garner for the Garner Fire Department, Panther Branch, for equipment or operations.

H2070 PAGE WALKER HOTEL RESTOR. FUNDS

Five thousand dollars ($5,000) to the Town of Cary for the restoration of the historic Page Walker Hotel.

H2071 APEX SENIORS PARK FUNDS

Five thousand dollars ($5,000) to the Town of Apex for the Seniors Park Fund.

H2072 RADIO READING SERVICES FUNDS

One thousand dollars ($1,000) to the Radio Reading Services, Inc., for development and expansion of services to the visually handicapped and print impaired.

H2073 RALEIGH DOWNTOWN HOUSING FUNDS

Ten thousand dollars ($10,000) to the Downtown Housing Improvement Non-Profit Corporation for programs relating to providing housing purchase opportunities in Raleigh to low and moderate income families.

H2076 SHELLY SCHOOL FUNDS

One thousand dollars ($1,000) to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, for Wake County Area Mental Health, Mental Retardation, and Substance Abuse Services, for the Shelly School Child Development Center, for the operating expenses incurred in providing educational and other services to mentally retarded children.

H2077 PRESERVATION JAZZ FUNDS

Four thousand dollars ($4,000) to the Preservation Jazz Company, Inc., for the public jazz appreciation workshops.

H2078 ALTERNATIVE SENTENCING FUNDS

Five thousand five hundred dollars ($5,500) to Reentry, Inc., for use in its alternative sentencing program.

H2079 ARTSPACE FUNDS

Nine thousand five hundred dollars ($9,500) to Artspace, Inc., for capital improvements to Artspace, Inc., in Wake County to enable Artspace to continue to promote and develop the arts in Wake County.

H2080 RALEIGH PROGRAMS FUNDS

Ten thousand dollars ($10,000) to the Young Men's Christian Association of Raleigh, Incorporated, to continue the family and youth counseling program at the Garner Road YMCA.

Eight thousand dollars ($8,000) to The Young Women's Christian Association of Wake County, North Carolina, Incorporated, in Raleigh on Hargett Street for its public service projects.

Four thousand dollars ($4,000) to Capital Area Arts Foundation to support the arts in the Wake County Area.

H2081 URBAN LEAGUE FUNDS

Five thousand dollars ($5,000) to the Winston-Salem Urban League to upgrade training for day care workers, direct an educational program for out-of-school youth, and enhance the management and direction of four small community-based programs for disadvantaged teens.

H2082 LEARNING IS FUN FUNDS

Twenty thousand dollars ($20,000) to LIFT, Inc., to provide educational and counseling support services to "at-risk youth" of Forsyth County, ages 6-16, including students suspended from the public school system.

H2083 WINSTON-SALEM NAACP TUTORIAL FUNDS

Three thousand dollars ($3,000) to the Winston-Salem Branch of the National Association for the Advancement of Colored People for the Education Committee for its after school tutorial program for students who are deficient in math and reading.

H2084 NEIGHBORHOOD JUSTICE FUNDS

Four thousand dollars ($4,000) to the Neighborhood Justice Center of Winston-Salem/Forsyth County, Inc., to assist in resolving disputes through mediation as a confidential alternative to the courts.

H2087 WOMEN'S JOB STRATEGY FUNDS

Five thousand dollars ($5,000) to the Winston-Salem/Forsyth County Council on the Status of Women, Inc., to continue funding of the Council's Job Strategy Center which assists women of all ages and backgrounds who are in transition, including divorced or widowed women, women re-entering the job market, female heads of household, and women who are illiterate or semi-literate.

H2088 BETHLEHEM CENTER FUNDS

Five thousand dollars ($5,000) to the Bethlehem Community Center, Inc., to assist preschool children from low-income families by providing scholarships.

H2091 RALEIGH ORATORIO FUNDS

One thousand dollars ($1,000) to the Raleigh Oratorio Society to reimburse the society for expenses of a Carnegie Hall performance in May of 1987 at which they represented this State.

H2092 PURCHASING MEDICINE FOR POOR FUNDS

Two thousand dollars ($2,000) to FIGS of Wake County, Inc., to assist poor persons in purchasing prescription drugs.

H2095 CHARLOTTE BUSINESS LEAGUE FUNDS

Five thousand dollars ($5,000) to the Charlotte Business League for operating expenses of the program providing for entrepreneurship, provided that a like amount of non-State funds is raised from the members of the League to match the appropriation on a dollar-for-dollar basis.

H2096 SHALOM HOMES OF CHARLOTTE FUNDS

Five thousand dollars ($5,000) to Shalom Homes, Incorporated, of Charlotte to provide housing for low income families.

H2099 N.C. WOMEN'S RESOURCE CTR. FUNDS

One thousand dollars ($1,000) to the North Carolina Council of Women's Organizations for its N.C. Women's Resource Center in Raleigh.

H2100 WINSTON-SALEM SYMPHONY FUNDS

Three thousand dollars ($3,000) to the Winston-Salem Symphony Association, Incorporated, to continue its support of public programs which enrich the entire community.

H2101 GREENE PROJECTS FUNDS

One thousand dollars ($1,000) to Greene County for transportation of handicapped citizens.

Two thousand five hundred dollars ($2,500) to Greene County for the Greene County Council on Aging to assist with the operating expenses of the public service programs of the Senior Citizens Center.

H2105 WINSTON LAKE FUNDS

Five thousand dollars ($5,000) to the Young Men's Christian

Association of Winston-Salem and Forsyth County for the Winston Lake Family YMCA for camperships for boys from low-income families.

H2106 SCHOLARSHIP FUNDS

Five thousand dollars ($5,000) to the United Negro College Fund, Winston-Salem Area Office, to award scholarships and financial aid to needy students.

H2111 TRANSYLVANIA YOUTH CENTER FUNDS

Fifty-four thousand dollars ($54,000) to Transylvania County for the Transylvania Youth Association Community Center Building, to complete construction of the facility, which will be used by many organizations, including Blue Ridge Technical School, the Transylvania Arts Council, the Transylvania County School System, and the Transylvania Youth Association.

H2112 BREVARD POLICE DEPT. FUNDS

Seven thousand dollars ($7,000) to the City of Brevard Police Department for drug law enforcement equipment, to enable the Department to participate with the Transylvania County Sheriff's Department in a joint city-county SWAT/Narcotics Squad in Transylvania County, provided these funds are matched on the basis of two non-State dollars for every one State dollar.

H2113 TRANSYLVANIA SHERIFF'S DEPT. FUNDS

Eleven thousand dollars ($11,000) to the Transylvania County Sheriff's Department for drug law enforcement equipment, to enable the Department to participate with the City of Brevard Police Department in a joint county-city SWAT/Narcotics Squad in Transylvania County, provided these funds are matched on the basis of two non-State dollars for every one State dollar.

H2122 INTERACT CRISIS CENTER FUNDS

One thousand dollars ($1,000) to the Family Violence Prevention Center, Inc., to enable Interact to provide crisis intervention and advocacy services to address domestic violence, sexual assault, and child abuse in Wake County.

H2123 TAMMY LYNN FOUNDATION FUNDS

One thousand five hundred dollars ($1,500) to the Tammy Lynn Memorial Foundation, Inc., for operations in providing services to the handicapped.

H2124 FRANKIE LEMMON SCHOOL FUNDS

One thousand five hundred dollars ($1,500) to the Frankie Lemmon School and Developmental Center, Inc., for operations in providing services to handicapped children.

H2125 SHELLEY SCHOOL FUNDS

One thousand dollars ($1,000) to the Shelley School Child Development Center for operations in providing educational and other services to mentally retarded and developmentally disabled children.

H2126 BALLET THEATER OF RALEIGH FUNDS

One thousand dollars ($1,000) to The Ballet Theater Company of Raleigh for operating expenses to promote ballet for children and to support the cultural programs that enrich the entire community.

H2127 WOMEN'S CENTER OF RALEIGH FUNDS

Two thousand dollars ($2,000) to The Women's Center of Raleigh for operations in providing services for women in the area.

H2129 DORE ACADEMY FUNDS

Five thousand dollars ($5,000) to the Mary Dore Center for Human Potential, Inc., for expanding and updating special teacher aids, testing equipment, and learning materials for learning-disabled children.

H2134 SNOW HILL ARTS FUNDS

One thousand dollars ($1,000) to the Greene County Arts Council, Inc., for equipment and supplies.

H2149 BRUNSWICK NAACP FUNDS

One thousand dollars ($1,000) to Brunswick County for the Cedar Grove Chapter of the NAACP for the Martin Luther King, Jr., Act-So Program.

H2151 DeROSSETT FUNDS

Two thousand five hundred dollars ($2,500) to Historic Wilmington Foundation, Inc., for historical renovations, maintenance, and operating expenses of the DeRossett House in New Hanover County.

H2152 CHILD ADVOCACY FUNDS

Two thousand ninety dollars ($2,090) to Child Advocacy Commission of Wilmington-New Hanover County, Inc., for its parenting program that offers educational courses and support groups for young parents in the community.

S86 CATAWBA ARTS FUNDS

Six thousand dollars ($6,000) to the Catawba County Arts Council, Inc., to expand its services in the arts.

Nine thousand dollars ($9,000) to The Arts Center of Catawba Valley, Inc. for operating support of its facilities and for equipment needs.

S90 HICKORY LANDMARKS SOCIETY FUNDS

Thirty thousand dollars ($30,000) to the Hickory Landmarks Society, Inc., to assist with the moving and restoration expenses of The Parsonage, which is not only located in a National Register of Historic Places district and a landmark of significant architectural and historic importance, but is also structurally sound and capable of service to the community for many years to come.

S163 KEYAUWEE CENTER CAPITAL FUNDS

Forty thousand dollars ($40,000) to The Tarheel Triad Girl Scout Council, Inc., for capital improvements at the Keyauwee Center.

S201 RALEIGH ARTS FOUNDATION FUNDS

Ten thousand dollars ($10,000) to Raleigh Arts Foundation, Inc., to serve as an umbrella organization to raise private sector funds to support arts organizations in the capital city area, to serve as a coordinator of the developmental activities of those nonprofit organizations and to stimulate artistic growth.

S211 CAMPBELL FOLK SCHOOL FUNDS

Ten thousand dollars ($10,000) to the John C. Campbell Folk School, Incorporated, for a new dining hall and multi-purpose facility which will enable the School to continue its support of the economic and cultural life of southwestern North Carolina through agricultural cooperatives and demonstration projects, health and nutrition programs, residential education, and craft production and marketing.

S309 FRANKIE LEMMON SCHOOL FUNDS

Forty thousand dollars ($40,000) to the Frankie Lemmon School and Developmental Center, Inc., to help construct a center for mentally handicapped children.

S342 BERTIE DENTAL CLINIC FUNDS

Twenty-five thousand dollars ($25,000) to Bertie County for renovations to the Bertie Dental Clinic.

S354* WEAVERVILLE/LAKE LOUISE FUNDS

Five thousand dollars ($5,000) to the Town of Weaverville to complete renovations at Lake Louise, to redevelop it as a recreation site for the North Buncombe County community.

S361 MURRAY'S MILL/BUNKER HILL FUNDS

Twenty-five thousand dollars ($25,000) to the Department of Cultural Resources, Division of Archives and History, for continued restoration and site development of the Murray's Mill complex and the Bunker Hill Covered Bridge in Catawba County.

Funds appropriated in this act shall be expended in accordance with G.S. 121-11 and G.S. 143-31.2.

S365 N.C. COUNCIL OF WOMEN FUNDS

Six thousand five hundred dollars ($6,500) to the North Carolina Council of Women's Organizations, Inc., for capital expenditures to benefit the program offered to the affiliate organizations and citizens of North Carolina at the North Carolina Women's Resource Center.

S376 ONSLOW COUNCIL ON AGING FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Onslow Coordinating Council on Aging, Inc., for operating expenses of its programs that promote and improve the well-being of older adults by developing and providing such services and facilities as resources and needs dictate and by coordinating and cooperating with other human services agencies.

S377 ONSLOW PEERS PROGRAM FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Onslow County Department of Social Services for the Onslow Peers Program, a family centered volunteer and community supported project aimed at preventing and alleviating family stress and domestic violence by offering enrichment, understanding, and education for family members.

S378 SAND CASTLE CHILDREN'S HOME FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Sand Castle Children's Home, Inc., a private, nonprofit, residential care facility for mentally retarded children from birth until 18 years of age for the development and expansion of its services.

S379 ONSLOW CO. MUSEUM FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to Onslow County for operating expenses of the Onslow County Museum in Richlands.

S380 SICKLE CELL ASSN. FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Eastern Area Sickle Cell Association, Inc., for operating expenses.

S381 ONSLOW ARTS COUNCIL FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Onslow County Arts Council, Inc., to represent and support excellence in the arts in Onslow County and stimulate public interest, support, and appreciation of all art forms through the schools and the community and for operating expenses.

S382 ONSLOW HOSPICE FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Onslow Hospice, Incorporated, a service which helps terminally ill patients and their families to live life to the fullest by caring, sharing, and serving, for operating expenses.

S383 ONSLOW WOMEN'S CENTER FUNDS

Eight thousand seven hundred fifty dollars ($8,750) to the Onslow County Women's Center, Inc., for operating expenses of its center which provides shelter and counseling to victims of domestic violence and sexual assault.

S450 TCI PARKING LOT FUNDS

Five thousand dollars ($5,000) to Tri-County Industries, Incorporated, to help defray the total cost needed to expand Tri-County Industries' parking area, to improve Tri-County Industries' rehabilitation services and job training for disabled persons.

S617 WILLIAM C. LEE MUSEUM FUNDS

Ten thousand dollars ($10,000) to the General William C. Lee Memorial Museum Commission, Inc., to be matched with non-State funds on a dollar-for-dollar basis to establish the General William C. Lee Museum.

S619 SANFORD'S OLD CITY HALL FUNDS

Thirteen thousand dollars ($13,000) to the City of Sanford to replace windows and make repairs to the roof of the old City Hall building, which houses the Center for Independent Living, Inc., a nonprofit organization that provides a community living skills program for the mentally handicapped citizens of Lee and surrounding counties.

S641 OLD DEPOT ASSOCIATION FUNDS

Two thousand five hundred dollars ($2,500) to The Old Depot Association, Incorporated, in Black Mountain to be used by the group officers and directors to help support and help advance its work in developing and promoting the cultural resources of the area.

S644 MEDIATION SERVICES FUNDS

Five thousand dollars ($5,000) to the Mediation Services of Wake, Inc., a nonprofit organization established to assist the people of Wake County to settle their disputes by mediation as opposed to going to court, for operating expenses.

S645 SANLEE CARE FUNDS

Ten thousand dollars ($10,000) to Sanlee Care, Inc., a nonprofit corporation providing education about alcohol and drug addiction and rehabilitation in Sanford, for capital improvements.

S646 LEE COUNTY INDUSTRIES FUNDS

Seven thousand dollars ($7,000) to Lee County Industries, Inc., for capital improvements and equipment purchases necessary to continue providing services to the handicapped.

S665 CAPITAL AREA SOCCER FUNDS

Twenty thousand dollars ($20,000) to Capital Area Soccer League, Inc., located in Wake County to defray the expenses of the Capital Area Soccer League.

S675 VISIONS, INC., FUNDS

Ten thousand dollars ($10,000) to the Vigorous Interventions In Ongoing Natural Settings, Inc., known as VISIONS, Inc., an adult day care center outreach program for frail, low-income, and elderly adults, for renovation of Wright's Center.

S683 FUQUAY CONCESSION STAND FUNDS

Seven thousand dollars ($7,000) to the Town of Fuquay Varina to build a concession stand at the Falcon Park baseball field which is used by all youth league teams in the Fuquay Varina area.

S892 NASH PRESCHOOL FUNDS

Five thousand dollars ($5,000) to the Nash County Board of Education for start up funds for the Preschool Day Care Center for migrant children and for renovations and equipment costs.

S895 WARREN COURTHOUSE FUNDS

One hundred thousand dollars ($100,000) to Warren County for renovations to the Warren County Courthouse.

S901 RADIO READING SERVICES FUNDS

Three thousand five hundred dollars ($3,500) to the Radio Reading Services, Inc., a nonprofit organization that provides news for blind, elderly and print-handicapped listeners, for the development and expansion of services.

S907 ABERDEEN ARCHITECTURE FUNDS

Five thousand dollars ($5,000) to the Department of Cultural Resources to conduct an architectural survey of Aberdeen, prepare nominations of Aberdeen's eligible properties and districts to the National Register of Historic Places, and to contribute towards the cost of an inventory publication.

The activities associated with this appropriation shall be performed in accordance with the standards and guidelines for survey, nomination and publication projects established by the State Historic Preservation Office, Division of Archives and History, Department of Cultural Resources, and shall be conducted under the professional supervision of that agency.

S913 MT. PLEASANT LAKE AND DAM FUNDS

Fifty thousand dollars ($50,000) to the Town of Mount Pleasant for the construction of a lake and dam on Black Run Creek.

S915 THOMS HOSPITAL FUNDS

Two thousand five hundred dollars ($2,500) to Thoms Rehabilitation Hospital, Inc., of Western North Carolina, in Asheville, to support THIP, its transitional head injury program.

S916 ASHEVILLE CHAMBER MUSIC FUNDS

Two thousand five hundred dollars ($2,500) to Asheville Chamber Music, Inc., for the endowment trust fund, that will enable Asheville Chamber Music, Inc., to continue to provide chamber music to Asheville and the surrounding area. These funds shall be matched by local funds on the basis of two dollars of local funds for every one dollar of State funds.

S922 GREENSBORO BEAUTIFUL FUNDS

Ten thousand dollars ($10,000) to Greensboro Beautiful, Inc., to develop an arboretum for the Piedmont on the site of Anniversary Garden.

S939 MADISON RAPE CRISIS FUNDS

Four thousand five hundred dollars ($4,500) to The Rape Crisis Center of Asheville to operate a rape crisis center office in Madison County.

S940 SANTEETLAH CENTER FUNDS

Ten thousand dollars ($10,000) to Graham County to build Santeetlah Community Center to provide space for cultural, recreational, and educational activities for all ages in the communities of Gladden's Creek, Santeetlah Shores, East Buffalo, Cochran's Creek, and Thunderbird Mountain Resort and to house fire and rescue squad equipment for the Santeetlah Volunteer Fire Department.

S941 NAGS HEAD WOODS FUNDS

Five thousand dollars ($5,000) to The Nature Conservancy of North Carolina, Inc., a nonprofit conservation organization, to be used for the Nags Head Woods Ecological Preserve for the continuation and expansion of its programs designed to protect the natural environment and biological diversity of North Carolina's Outer Banks.

S947 OLD GREENSBOROUGH PRESERVATION SOCIETY FUNDS

Twenty thousand dollars ($20,000) to the Old Greensborough Preservation Society for the continued preservation of the William Fields House in Old Greensborough.

S951 STEDMAN-WADE HEALTH FUNDS

Seven thousand dollars ($7,000) to The Stedman-Wade Health Services, Inc., to provide a headquarters for Cumberland Council on Adolescent Pregnancy, in order to allow the Council to coordinate projects, programs, and services for prevention and treatment of adolescent pregnancy.

S954 PIEDMONT DEVELOPMENT CENTER FUNDS

Ten thousand dollars ($10,000) to the Piedmont Residential Development Center, Inc., for start-up and pre-certification operational funds to provide developmental services for at least 50 adults with mental retardation and related conditions.

S955 CABARRUS WORKSHOP FUNDS

Ten thousand dollars ($10,000) to Cabarrus Workshop, Inc., to provide vocational, academic, socialization, and communication skills for mentally and physically handicapped adults.

S956 HENDERSON RAPE CRISIS FUNDS

Five thousand dollars ($5,000) for the Rape Crisis Center-Henderson County for rape crisis services.

S959 WINSTON-SALEM YWCA FUNDS

Five thousand dollars ($5,000) to the Young Women's Christian Association of Winston-Salem, Inc., to help purchase a 12-passenger van with wheelchair lift to allow participation in Summer Break Day Camp and other programs for the disabled.

S960 SAWTOOTH DESIGN CENTER FUNDS

Ten thousand dollars ($10,000) to The Sawtooth Center for Visual Design in downtown Winston-Salem to match grants from the federal National Endowment for the Arts and private foundation support. The combination of all of the sources of funds would be used to establish an endowment to assure the payment of salaries to their teachers.

S961 WINSTON-SALEM GUIDANCE CTR. FUNDS

Five thousand dollars ($5,000) to the Child Guidance Center, Incorporated, of Winston-Salem to be used to carry out a program for training day care leadership personnel.

S962 "FIRST IN FREEDOM" FUNDS

Two thousand four hundred fifty dollars ($2,450) to the Halifax County Historical Association for the purpose of further developing and supporting the outdoor historical drama, "First in Freedom".

S963 DAVIDSON MUSEUM FUNDS

Sixty-two thousand dollars ($62,000) to the Davidson Historical Museum, Inc., for a wheelchair ramp and an elevator to make the old courthouse, which will house the museum, accessible to the handicapped.

S964 LOOK UP GASTON FUNDS

Five thousand dollars ($5,000) to the Look Up Gaston Foundation, Inc., to continue to develop the systematic cooperation among Gaston County Communities that has already greatly improved the lives of the people of Gaston County.

S966 DURHAM ARTS COMPLEX FUNDS

Fifty thousand dollars ($50,000) to The Durham Arts Council, Inc., for the Durham Downtown Arts Complex.

S967 MARTIN COURTHOUSE FUNDS

Two thousand one hundred dollars ($2,100) to the Department of Cultural Resources, Division of Archives and History, for the stabilization, restoration, and rehabilitation of the old Martin County Courthouse.

S968 NORTHAMPTON MUSEUM FUNDS

Two thousand four hundred fifty dollars ($2,450) to Northampton County Museum, Inc., to continue historic preservation and interpretive educational programs.

S969 WINTON SENIOR CITIZEN CENTER FUNDS

Three thousand five hundred dollars ($3,500) to Hertford County for capital improvements and renovations to the Senior Citizen Center located in Winton.

S970 HALIFAX 4-H DAY CAMP FUNDS

Seven thousand dollars ($7,000) to the 4-H and Youth Day Camp, Inc., in Halifax County to continue building renovations and to enable the Camp to continue serving youth in its camp program.

S971 GATES COUNTY HISTORICAL SOCIETY FUNDS

Four thousand four hundred ten dollars ($4,410) to Gates County for the Gates County Historical Society to use in its project to restore the interior of the old Gates County Courthouse and Annex.

S972 UNION COUNTY HOSPICE FUNDS

Eight thousand dollars ($8,000) to Hospice of Union County, Inc., to assist the terminally ill and their families in Union County.

S973 WINSTON-SALEM SYMPHONY FUNDS

Fifteen thousand dollars ($15,000) to the Winston-Salem Symphony Association, Incorporated, to support the Winston-Salem Symphony's

music education program for elementary students in Forsyth County and its children's concerts.

S974 MAUNEY MEMORIAL LIBRARY FUNDS

Eight thousand dollars ($8,000) to the Jacob S. Mauney Memorial Library for operating expenses and acquisitions for the Mauney Memorial Library in Kings Mountain.

S975 LOWELL RECREATION/BEAUTIFICATION FUNDS

Six thousand dollars ($6,000) to the Town of Lowell to provide recreation opportunities for the people of Lowell and to beautify the Town.

S976 HOSPICE OF GASTONIA FUNDS

Six thousand dollars ($6,000) to the Hospice of Gastonia, Inc., to provide care and comfort for dying patients.

S977 CHERRYVILLE RECREATION FUNDS

Six thousand dollars ($6,000) to the City of Cherryville to build recreation facilities and provide recreation opportunities for the people of Cherryville.

S978 SCHIELE MUSEUM FUNDS

Twenty thousand dollars ($20,000) to the Schiele Museum of Natural History and Planetarium, Inc., for operating expenses.

S979 DALLAS CAPITAL PROJECTS FUNDS

Six thousand dollars ($6,000) to the Town of Dallas to remodel the civic center and the old courthouse.

S980 CRAMERTON COMMUNITY CENTER FUNDS

Three thousand dollars ($3,000) to the Town of Cramerton to replace the boiler in the Cramerton Community Center and for other expenses of the Community Center.

S981 CRAMERTON FIRE TRUCK FUNDS

Three thousand dollars ($3,000) to the Cramerton Volunteer Fire Department, Inc., to help purchase a new fire truck.

S982 GASTON MUSEUM FUNDS

Twenty thousand dollars ($20,000) to the Gaston County Museum of Art and History for operating expenses.

S983 WCQS-FM FUNDS

Ten thousand dollars ($10,000) to Western North Carolina Public Radio, Inc., a nonprofit community based corporation that operates Public Radio Station WCQS-FM, to help expand WCQS-FM's services to Madison and Transylvania counties and for purchase of equipment to record events outside its studios for later broadcast.

S984 FALCON TOWN HALL FUNDS

Twenty thousand dollars ($20,000) to the Town of Falcon, Cumberland County, to rebuild the Falcon Town Hall.

S986 CUMBERLAND SICKLE CELL FUNDS

Ten thousand dollars ($10,000) to Operation Sickle Cell, Incorporated, of Cumberland County for operating expenses incurred in providing counselling and services to sickle cell patients and the public.

S988 CAPE FEAR TEEN CENTER FUNDS

Seventy-five thousand dollars ($75,000) to the Cape Fear Teen Center, in Cumberland County, to enable the Center to construct and operate a recreational center for all junior high and high school students throughout Cumberland County.

S991 WAYNESBOROUGH PARK FUNDS

Nine thousand dollars ($9,000) to Wayne County Historical Association for Waynesborough Park, for upkeep of the Park.

S992 GREENE ED. FOUNDATION FUNDS

Ten thousand dollars ($10,000) to the Education Foundation of Greene County, Inc., for operating expenses incurred in soliciting grants and donations to promote education in Greene County.

S994 KELLY STREET/CROSSROADS FUNDS

Eight thousand dollars ($8,000) to the Department of Human Resources for the Tri-County Mental Health, Mental Retardation, and Substance Abuse Authority for the operation of the "Kelly Street, U.S.A." boarding home for the mentally retarded and for the "Crossroads" alternative living projects.

S995 WINSTON-SALEM RESCUE SQUAD FUNDS

Two thousand five hundred dollars ($2,500) to the Winston-Salem Rescue Squad, Incorporated, to help replace their overloaded and worn light duty rescue truck. The truck is needed to handle the growing demands of the community.

S996 KINGS MOUNTAIN POOL FUNDS

Eight thousand dollars ($8,000) to the Kings Mountain Indoor Pool Foundation to assist in building a pool at Kings Mountain High School.

S997 CLEVELAND ABUSE PREVENTION FUNDS

Eight thousand dollars ($8,000) to the Cleveland County Abuse Prevention Council, Inc., to provide a shelter and other services for battered women.

S998 CHILD ABUSE PREVENTION FUNDS

Eight thousand dollars ($8,000) to Child Abuse Prevention Services, Inc., of Cleveland County for operating expenses to prevent child abuse in Cleveland County.

S999 CLEVELAND HOSPICE FUNDS

Eight thousand dollars ($8,000) to the Hospice of Cleveland County, Inc., to provide care and comfort for dying patients.

S1000 WESTERN CAROLINA CENTER FUNDS

Twelve thousand dollars ($12,000) to the Western Carolina Center Foundation, Inc., of Burke County to cover the expenses for the tram that is under construction to provide transportation to disabled persons at the Center and to complete equipment at the Center's Chapel.

S1001 KINGS MT. RESCUE SQUAD FUNDS

Eight thousand dollars ($8,000) to Kings Mountain Emergency Rescue Services, Inc., a volunteer rescue squad, to assist the rescue squad in buying an ambulance.

S1003 LEE COUNTY HOSPICE FUNDS

Seven thousand five hundred dollars ($7,500) to Hospice of Lee County, Inc., for expansion of the services it provides for the terminally ill and their families.

S1004 DELTA ARTS CENTER FUNDS

Five thousand dollars ($5,000) to the Winston-Salem Delta Fine Arts, Incorporated, to continue the programs of cultural enrichment offered by the Delta Arts Center.

S1005 WINSTON-SALEM LITTLE THEATRE FUNDS

Seven thousand five hundred dollars ($7,500) to The Little Theatre of Winston-Salem, Inc., to provide for all within the community an avenue for education and development in all aspects of theater arts and

to provide entertainment for the community by offering a series of well-staged performances of live theater.

S1006 WINSTON-SALEM STATUS OF WOMEN FUNDS

Five thousand dollars ($5,000) to the Winston-Salem/Forsyth County Council on the Status of Women, Inc., to carry out a professional program that enables women of all ages and backgrounds to strengthen those qualities that are the critical determinants of success.

S1007 WINSTON-SALEM ARTS FUNDS

Thirty thousand dollars ($30,000) to the Arts Council, Inc., of Winston-Salem for operating expenses, to enable the Council to continue coordinating, promoting, and developing the arts in Forsyth County, thus contributing significantly to the quality of life of the citizens of the county.

S1011 UNC REPAIR/RENOVATION FUNDS

One hundred fifty thousand dollars ($150,000) to the Board of Governors of The University of North Carolina for repair and renovations.

S1013 MICRO COMMUNITY BUILDING FUNDS

Eight thousand dollars ($8,000) to the Town of Micro in Johnston County for the completion of the Micro Community Building.

S1020 WOMEN'S RESOURCE CENTER FUNDS

Two thousand dollars ($2,000) to The North Carolina Council of Women's Organizations, Inc., for The Women's Resource Center for operating expenses incurred in providing resource services and other public services.

S1022 YMI CULTURAL CTR. FUNDS

Five thousand dollars ($5,000) to the YMI Cultural Center, Inc., to preserve and restore the center, which is listed on the National Register of Historic Places.

S1023* OPPORTUNITY CORPORATION FUNDS

Five thousand dollars ($5,000) to The Opportunity Corporation of Madison and Buncombe Counties for operating expenses incurred in providing crisis intervention, health, educational, and other services to low-income people in Madison and Buncombe Counties.

S1024 JEWISH STUDIES CENTER FUNDS

Three thousand dollars ($3,000) to the Board of Governors of The University of North Carolina for the Jewish Studies Center at U.N.C.-Asheville, provided a like amount of non-State funds is raised by the Center to match the appropriation on a dollar-for-dollar basis.

S1025 GASTON BATTERED SPOUSE SHELTER FUNDS

Eight thousand dollars ($8,000) to the Gaston County Department of Social Services for the operating expenses of the domestic violence program of the Gaston County Battered Spouse Shelter.

S1026 RAMSEUR'S MILL FUNDS

Five thousand dollars ($5,000) to the Lincoln County Historic Properties Commission to provide a marker for the Battle of Ramseur's Mill (1780) and to build a memorial park.

S1027 P.A.T.H. FUNDS

Eight thousand dollars ($8,000) to Prevention of Abuse in the Home, Inc., for a domestic violence program.

S1028 ORANGE STREET SCHOOL RESTORATION FUNDS

Ten thousand dollars ($10,000) to the Orange Street School Restoration and Historical Association, Inc., for multi-use cultural and civic facility.

S1030 HUDSON PRISON CHAPEL FUNDS

Six thousand dollars ($6,000) to the Hudson Prison Chapel Fund, Inc., to help construct a chapel at Hudson Prison, to enable the prisoners to practice the religion of their choice.

S1031 CALDWELL HALF-WAY HOUSE FUNDS

Ten thousand dollars ($10,000) to the Caldwell Half-Way House, Inc., for the alcoholic treatment center in Caldwell County.

S1032 CALDWELL SENIOR CENTER FUNDS

Twenty thousand dollars ($20,000) to the Caldwell Senior Center, Inc., to complete the driveway and the parking area of the Center, to make the Center fully accessible to the older adults who use it.

S1033 HISTORIC PRESERVATION FUNDS

Eight thousand dollars ($8,000) to Fort Defiance, Inc., for a sprinkling system, to improve the safety and accessibility of historic Fort Defiance.

Six thousand dollars ($6,000) to the Town of Wilkesboro for repair and maintenance of historic Old Town Cemetery.

Ten thousand dollars ($10,000) to the Chapel of Rest Preservation Society, Inc., for restoration and preservation of the historic Chapel of Rest, to make it more accessible to all who are interested in the history of North Carolina.

Ten thousand dollars ($10,000) to Caldwell County for restoration of the historic Reverend Jessie Rankin House, and to make it more accessible to the public.

S1034 MARION AIRPORT FUNDS

Five thousand dollars ($5,000) to Marion Airport Commission, Inc., for equipment and capital improvements.

S1036 RUTHERFORD ARTS COUNCIL FUNDS

Five thousand dollars ($5,000) to the Rutherford County Arts Council, Inc., for operating expenses.

S1037 CLEVELAND ARTS COUNCIL FUNDS

Eight thousand dollars ($8,000) to the Cleveland County Arts Council, Inc., for operating expenses.

S1038 LINCOLN CULTURAL CENTER FUNDS

Eight thousand dollars ($8,000) to the Lincoln Cultural Development Center, Inc., for the building renovation fund.

S1039 RUTHERFORD VOCATIONAL WORKSHOP FUNDS

Ten thousand dollars ($10,000) to the Rutherford Vocational Workshop, Inc., for a new roof for the workshop building.

S1040 TRYON GENEALOGICAL SOCIETY FUNDS

Five thousand dollars ($5,000) to The Genealogical Society of Old Tryon County for operating expenses incurred in providing interested citizens with opportunities for research into the history of their families and of their communities.

S1043 CLINTON/SAMPSON AGRI-CIVIC FUNDS

Eight thousand dollars ($8,000) to the Town of Clinton for capital outlay for the Clinton-Sampson Agri-Civic Center, to serve the agricultural and civic needs of the citizens of Clinton and of Sampson County.

S1044 OUTREACH DAY CARE FUNDS

Four thousand dollars ($4,000) to Sampson County for the James

A. Ezzell, Sr., Outreach Center, Inc., for operating expenses incurred in providing day care services to parents in Clinton and the surrounding area.

S1045 SAMPSON COMM. THEATER FUNDS

Eleven thousand dollars ($11,000) to Sampson County for renovations to the building housing the Sampson Community Theater.

S1046 BENSON MUSEUM FUNDS

Four thousand dollars ($4,000) to the Town of Benson to establish the Benson Centennial Museum.

S1047 SAMPSON SCHOOLS' ARTS FUNDS

Nine thousand dollars ($9,000) to the Sampson County Board of Education for arts enrichment programs in the Sampson County public schools.

S1048 CLINTON SCHOOL FUNDS

Nine thousand dollars ($9,000) to the Clinton City Board of Education for air conditioning the middle school auditorium.

S1049 ATKINSON LIBRARY ACCESS FUNDS

Eight thousand dollars ($8,000) to the Public Library of Johnston County and Smithfield for construction of access for the handicapped and other improvements to the Wade H. Atkinson Memorial Library and Community Building.

S1050 RANDOLPH HOSPICE FUNDS

Four thousand dollars ($4,000) to Hospice of North Carolina, Inc., for the Randolph County Chapter, to enable it to continue to provide compassionate care for the terminally ill and their families.

S1051 CHAPEL HILL/CARRBORO SHELTER FUNDS

Five thousand dollars ($5,000) to the Inter-Church Council for Social Service, Inc. (Inter-Faith Council for Social Service, Inc.,) for the Council's Shelter Project, which provides a place to sleep for the homeless of Chapel Hill/Carrboro.

S1052 FAMILY CRISIS CENTER FUNDS

Four thousand five hundred dollars ($4,500) to the Randolph County Family Crisis Center, Inc., to maintain the Center's ongoing services to families in crisis and to promote additional support services.

S1054 DEVELOPMENTALLY DISABLED ADULT FUNDS

Two thousand five hundred dollars ($2,500) to Chatham Trades, Inc., to help to maintain the organization for developmentally disabled adults now living in Murdock Center.

S1055 JOCCA FUNDS

Six thousand five hundred dollars ($6,500) to The Joint Orange-Chatham Community Action, Inc., (JOCCA) for the senior citizen's programs in Orange and Chatham Counties.

S1060 LINCOLN ARTS COUNCIL FUNDS

Four thousand dollars ($4,000) to the Lincoln Arts Council, Inc., for operating expenses.

S1061 ODYSSEY OF THE MIND FUNDS

Eight thousand dollars ($8,000) to the Gaston County Board of Education for the Odyssey of the Mind Program, to send Gaston County Teams to State and national contests.

S1062 JORDAN WATER FUNDS

One thousand dollars ($1,000) to the Jordan Estates Water Association to enable the Association to repair its water holding equipment, to help make the water system self-sustaining and able to serve all the citizens of Cedar Falls.

S1064 FAMILY SERVICES CENTER FUNDS

Five thousand dollars ($5,000) to the Family Services Center of Buncombe County, Inc., a private nonprofit United Way Agency which provides professional counseling to children, parents, couples, and the whole family, as a unit, for capital improvements.

S1066 WEYMOUTH NATURE PRESERVE FUNDS

One thousand dollars ($1,000) to the Friends of Weymouth, Inc., for the Weymouth Center which provides statewide programs of the arts and humanities.

S1067 MALCOLM BLUE HIST. SOC. FUNDS

One thousand dollars ($1,000) to The Malcolm Blue Historical Society for area historical sites, to maintain homes, barns, grounds, and roofs.

S1072 HAMILTON RECREATION CENTER FUNDS

One thousand seven hundred fifty dollars ($1,750) to the Town of Hamilton to renovate a building at the ball park for use as a recreation center.

S1073 GALLERY THEATRE FUNDS

Three thousand five hundred dollars ($3,500) to The Gallery Theatre, Inc., in Hertford County to complete the air conditioning of the theatre in which the community productions and activities are performed.

S1074 MURFREESBORO HISTORICAL ASSOC. FUNDS

Fifteen thousand three hundred forty dollars ($15,340) to The Murfreesboro Historical Association, Inc., to continue the restoration of the Hertford Academy for the Arts.

S1076 SPECIAL DAY CARE FUNDS

Five thousand dollars ($5,000) to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the Orange-Person-Chatham Mental Health Center, for supplemental day care funds for emotionally disturbed pre-schoolers.

S1077 CHILD CARE NETWORKS FUNDS

Three thousand five hundred dollars ($3,500) to Child Care Networks,Inc., for operating expenses incurred in providing essential child care information to concerned parents.

S1078 ORANGE ARTS CENTER FUNDS

Ten thousand dollars ($10,000) to The Arts Center of Orange County to enable the relocated Art School in Carrboro to become The Arts Center, a community based cultural arts center serving Orange County and the surrounding area, providing classes and presenting events in all artistic disciplines.

S1079 MOORE NATURAL AREAS FUNDS

Six thousand dollars ($6,000) to the Department of Natural Resources and Community Development for the Natural Heritage Program for the completion of a Moore County natural areas inventory.

S1080 RALEIGH HISTORICAL GARDEN FUNDS

Five thousand dollars ($5,000) to the Department of Community Colleges for Sandhills Community College, for the Sir Walter Raleigh

Historical Garden, to celebrate America's 400th Anniversary.

S1081 PERFORMING ARTS FUNDS

One thousand five hundred dollars ($1,500) to The Sandhills Arts Council, Inc., of Moore County for operating expenses incurred in maintaining the performing arts center, which benefits all the citizens of Moore County and the surrounding area.

S1082 MOORE RESPITE CARE FUNDS

Two thousand dollars ($2,000) to the Moore County Association for Retarded Citizens, Inc., for the In-Home Respite Care Program, for operating expenses.

S1087 SCOTLAND NECK GYMNASIUM FUNDS

One thousand seven hundred fifty dollars ($1,750) to the Town of Scotland Neck to renovate the old gymnasium adjacent to the municipal building as a recreational and meeting facility.

S1088 ORANGE SHELTERED WORKSHOP FUNDS

Two thousand dollars ($2,000) to Orange Enterprises, Incorporated, for operating expenses in running its sheltered workshop for the handicapped.

S1089 ORANGE LIBRARY FUNDS

Four thousand five hundred dollars ($4,500) to the Orange County Public Library to help fund the automation project for library files and functions.

S1090 SANDHILLS HOSPICE FUNDS

Four thousand dollars ($4,000) to Sandhills Hospice, Inc., for operating expenses incurred in providing compassionate care to the terminally ill and their families.

S1093 TURKEY TOWN IMPROVEMENTS FUNDS

Two thousand dollars ($2,000) to the Town of Turkey for town improvements.

S1095 SAFE FUNDS

Five thousand dollars ($5,000) to the Department of Administration for SAFE, a shelter for battered spouses and children.

S1096 DUPLIN AGRIBUSINESS COUNCIL FUNDS

Four thousand dollars ($4,000) to the Duplin County Agribusiness Council, Inc., for operating expenses.

S1097 ADKIN HIGH SCHOOL FUNDS

Four thousand dollars ($4,000) to the Adkin High School Alumni and Friends, Inc., for renovation and operating expenses relating to the Old Adkin High School Building in Kinston, for use as a community center.

S1100 LENOIR HISTORICAL RESTORATION FUNDS

Four thousand dollars ($4,000) to the Lenoir County Historical Association, Inc., for capital expenses in restoring the fire station.

S1101 KINSTON/LENOIR AIR SHOW FUNDS

Three thousand dollars ($3,000) to the Lenoir County Chamber of Commerce, Inc., for operating expenses for the Kinston/Lenoir Air Show.

S1102 BLACK ARTISTS' GUILD FUNDS

Four thousand dollars ($4,000) to the Black Artists' Guild, Inc., for operating expenses.

S1103 JONES COUNTY SENIOR CITIZENS FUNDS

Four thousand dollars ($4,000) to the United Tri-County Senior Citizens Corporation, Incorporated, for the Jones County Unit of United Tri-County Senior Citizens Corporation for operating expenses in serving the senior citizens of Jones County.

S1104 KINSTON HARVEY GARDENS FUNDS

Four thousand dollars ($4,000) to Harvey Gardens of Kinston, Inc., for capital expenses in establishing a garden-park in Kinston.

S1105 ANITA STROUD FOUNDATION FUNDS

Five thousand dollars ($5,000) to the Anita Stroud Foundation, Inc., in Mecklenburg County to continue its programs for youth including an after school tutorial program, a summer enrichment program, and a camping experience program.

S1106 SICKLE CELL DISEASE-CHARLOTTE FUNDS

Five thousand dollars ($5,000) to the Association for Sickle Cell Disease for Charlotte-Metrolina, Inc., for research, testing, outreach, and follow-up programs designed to gain knowledge about sickle cell disease and to help fight sickle cell disease.

S1107 BETHLEHEM CENTER FUNDS

Five thousand dollars ($5,000) to The Bethlehem Center of Charlotte, Inc., to assist in the operating expenses of community programs that serve all segments of society, the head start program, the summer camp program, and the tutorial services offered through the center.

S1108 N.C. TURKEY FESTIVAL FUNDS

Fifteen thousand dollars ($15,000) to the North Carolina Turkey Festival, Inc., to fund the North Carolina Turkey Festival celebration in Hoke County.

S1109 ROWLAND LIBRARY FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Rowland to renovate a building for use as a Public Library in the Town of Rowland.

S1110 MAXTON DAY CARE FUNDS

Three thousand five hundred dollars ($3,500) to the Maxton Day Care Council, Inc., to supplement non-State funding for Senior Citizens Day Care in Maxton.

S1111 LUMBEE REGIONAL DEV. ASSN. FUNDS

Seven thousand five hundred dollars ($7,500) to the Lumbee Regional Development Association, Incorporated, to purchase food from the Thrifty Pantry to be distributed to low income families.

S1112 CAROLINA CIVIC CENTER FUNDS

Five thousand dollars ($5,000) to The Carolina Civic Center Foundation, Inc., for the upkeep of the Civic Center.

S1114 RAEFORD FIRE DEPARTMENT FUNDS

One thousand five hundred dollars ($1,500) to the City of Raeford to help purchase a brush and grass fire truck for the Raeford Volunteer Fire Department.

S1116 FOUNTAIN RURAL FIRE FUNDS

Two thousand dollars ($2,000) to the Fountain Rural Fire Association, Inc., for capital costs, operating expenses, and equipment for the Fountain Rural Volunteer Fire Department in providing rural fire protection.

S1117 PARMELE SENIOR CITIZEN FUNDS

One thousand dollars ($1,000) to the Town of Parmele to design and plan a community senior citizens facility, where citizens can gather for education, health, and social purposes.

S1118 BELL ARTHUR FIRST RESPONDERS

Two thousand dollars ($2,000) to Bell Arthur First Responders, Inc., for operating and capital expenses and equipment in providing community rescue services.

S1122 PAMLICO BAND/ATHLETIC FUNDS

Four thousand five hundred dollars ($4,500) to the Pamlico County Board of Education for capital improvements of athletic facilities and for band uniforms.

S1124 PAMLICO SENIOR CITIZENS FUNDS

Four thousand dollars ($4,000) to Pamlico County for programs to benefit the senior citizens of Pamlico County.

S1125 PAMLICO RESCUE SQUAD FUNDS

Six thousand five hundred dollars ($6,500) to the Pamlico County Rescue Squad, Inc., to purchase a new semiautomatic defibrillator to promote better health care in Pamlico County.

S1126 CARTERET BAND/ATHLETIC FUNDS

Four thousand five hundred dollars ($4,500) to the Carteret County Board of Education for band and athletic programs at East Carteret and West Carteret High Schools.

S1127 BEAUFORT HISTORICAL ASSOC. FUNDS

Four thousand five hundred dollars ($4,500) to the Beaufort Historical Association, Inc., for capital improvements.

S1128 CARTERET COUNTY VOL. FIRE DEPTS. FUNDS

Sixteen thousand dollars ($16,000) to Carteret County for the purchase of an air compressor system to be shared by all fire and rescue departments in Carteret County and the purchase of equipment for volunteer fire departments in Carteret County.

S1129 N.C. SEAFOOD FESTIVAL FUNDS

Two thousand five hundred dollars ($2,500) to the Carteret County Chamber of Commerce, Inc., for the North Carolina Seafood Festival.

S1132 CRAVEN/PAMLICO/CARTERET LIBRARY FUNDS

Two thousand dollars ($2,000) to Craven-Pamlico-Carteret Regional Library for capital improvements.

S1133 CRAVEN COUNTY EDUCATION FUNDS

Four thousand five hundred dollars ($4,500) to the Craven County Board of Education for the construction of a girls' softball field at Havelock High School.

S1134 HARLOWE COMMUNITY CTR. FUNDS

Three thousand dollars ($3,000) to Craven County for construction of a new roof for the Harlowe Community Center.

S1135 HAVELOCK PARKS AND RECREATION FUNDS

Two thousand dollars ($2,000) to the City of Havelock for Havelock's Parks and Recreation Department for capital improvements.

S1137 VANCEBORO PARKS AND RECREATION FUNDS

Two thousand dollars ($2,000) to the Town of Vanceboro for Vanceboro's Parks and Recreation Department for capital improvements.

S1138 CRAVEN SENIOR CITIZENS FUNDS

Nine thousand dollars ($9,000) to Craven County for programs to benefit the senior citizens of Craven County.

S1139 WAKE COUNTY ARTS COUNCIL PROGRAMS FUNDS

Eight thousand five hundred dollars ($8,500) to the Wake County Arts Council, Inc., a nonprofit organization which develops and supports cultural programs for all Wake County citizens, to be used to expand the role of the Wake County Arts Council, to ensure the future growth of the arts in Wake County, to develop awareness of and interest in the arts in Wake County's 11 other municipalities; to continue to reach special population citizens, and to serve as an umbrella organization for all of Wake County's arts endeavors.

S1141 HAYES TAYLOR YMCA FUNDS

Eight thousand dollars ($8,000) to the Young Men's Christian Association of Greensboro, Incorporated, for the renovation and construction of the Hayes Taylor Branch of the YMCA.

S1142 WHITSETT COMM. CENTER FUNDS

Ten thousand dollars ($10,000) to the Whitsett Community Development Club for the renovation and maintenance of the Whitsett Community Center.

S1143 UNITED NEGRO COLLEGE FUNDS

Five thousand dollars ($5,000) of the United Negro College Fund, Inc., for scholarships for North Carolina residents attending colleges and universities in North Carolina.

S1144 BENNETT LITERACY FUNDS

Six thousand dollars ($6,000) to the Bennett College National Alumnae Association for a middle school writing and language skills program in Guilford County.

S1145 TRIAD SICKLE CELL FUNDS

Eight thousand five hundred dollars ($8,500) to the Triad Sickle Cell Anemia Foundation for psychological evaluation and job development for the foundation's clients.

S1146 VFW HOUSING PROJECT FUNDS

Seven thousand five hundred dollars ($7,500) to VFW Post 2087 for a housing rehabilitation project for the homeless and for a youth outreach program.

S1147 GREENSBORO CRIME/DELINQUENCY FUNDS

Twenty-five thousand dollars ($25,000) to the Southeast Greensboro Council on Crime and Delinquency for the operation of the council's programs to prevent crime and delinquency.

S1148 DURHAM HOUSING AUTHORITY YOUTH FUNDS

Seven thousand dollars ($7,000) to the Housing Authority of the City of Durham to promote the youth educational enrichment experience program.

S1149 DURHAM YWCA FIRE FUNDS

Two thousand dollars ($2,000) to the Young Women's Christian Association of Durham, N.C., Inc., to renovate the fire escape system of its building.

S1150 CEDAR GROVE DAY CARE FUNDS

Seven thousand dollars ($7,000) to the Cedar Grove Day Care Center, Inc., to allow the center to provide quality day care to low income children.

S1151 GRANVILLE SENIOR CITIZENS' FUNDS

Sixteen thousand dollars ($16,000) to the Oxford Business and Professional Chain, Incorporated, to promote the Granville County Senior Citizens' Program.

S1152 CREEDMOOR ROOF FUNDS

Eight thousand dollars ($8,000) to the Town of Creedmoor to re-roof the local recreation center.

S1153 OPERATION BREAKTHROUGH FUNDS

Seven thousand dollars ($7,000) to Operation Breakthrough, Inc., which serves as the Durham County community action agency, to be applied toward the general operations of the agency.

S1154 PERSON MEMORIAL HOSPITAL FUNDS

Sixteen thousand dollars ($16,000) to the Person County Memorial Hospital, Incorporated, to help in the renovation of the Person County Memorial Hospital.

S1155 JOHN AVERY BOY'S CLUB FUNDS

Seven thousand dollars ($7,000) to the John Avery Boy's Club, Inc., to enhance their program of developing youth.

S1159 LAKELAND CULTURAL ARTS FUNDS

Fifteen thousand two hundred fifty dollars ($15,250) to Lakeland Cultural Arts Center, Inc., to continue its programs and projects which provide cultural and entertainment events for all ages and learning opportunities of equal value.

S1160 CHARLES WILLIAMSON BAR FUNDS

Seven hundred dollars ($700.00) to Warren County for the Charles Williamson Bar Association Foundation to assist in its projects to provide quality legal services to all citizens, regardless of their ability to pay, and to assist in its legal scholarship program.

S1161 CHOANOKE AREA DEVELOPMENT FUNDS

Seven thousand dollars ($7,000) to Choanoke Area Development Association of North Carolina, Incorporated, also known as C.A.D.A., to renovate the facilities used by C.A.D.A. and for operating expenses of its programs which serve low income families in the Choanoke area.

S1162 WAYNE COUNTY TEACHER AWARDS FUNDS

Sixteen thousand dollars ($16,000) to the Wayne County Board of Education for teacher awards. These funds shall be held in trust. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars ($2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars ($2,500), more than one award may be given.

S1163 GOLDSBORO CITY TEACHER AWARDS FUNDS

Sixteen thousand dollars ($16,000) to the Goldsboro City Board of Education for teacher awards. These funds shall be held in trust. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars ($2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars ($2,500), more than one award may be given.

S1164 GREENE COUNTY TEACHER AWARDS FUNDS

Sixteen thousand dollars ($16,000) to the Greene County Board of Education for teacher awards. These funds shall be held in trust. Annually, seventy-five percent (75%) of the interest shall be paid out as an award not to exceed two thousand five hundred dollars ($2,500) to an outstanding teacher, fifteen percent (15%) shall be returned to the trust, and ten percent (10%) may be used for administrative expenses incurred in the award process. If, in any year, the seventy-five percent (75%) of interest exceeds two thousand five hundred dollars ($2,500), more than one award may be given.

S1169 PUBLIC HISTORIC WORKS FUNDS

Seven thousand dollars ($7,000) to the Department of Cultural Resources for the renovation of existing facilities of the Belhaven Museum in Beaufort County.

These funds shall be administered in accordance with the purposes and recommendations of the Historic Sites Advisory Committee Report as adopted by the North Carolina Historical Commission in November 1986.

S1170 COMMERCIAL FISHERIES DEV. FUNDS

Five thousand dollars ($5,000) to the North Carolina Coastal

Federation, Inc., for commercial fishery development, to benefit not only fishermen, seafood dealers, and processors, but the economy of the entire coastal region of North Carolina.

S1171 ROANOKE HANDICAPPED SERVICES FUNDS

Three thousand dollars ($3,000) to the Roanoke Developmental Center, Inc., to enable the Center to continue to provide services to handicapped citizens of Washington, Tyrrell, and surrounding counties.

S1173 WASHINGTON COUNTY FIRE DEPT. FUNDS

Ten thousand dollars ($10,000) to Washington County for the Mid-County and the Lake Phelps Volunteer Fire Departments, to be allocated equally between these two fire departments.

S1178 HALIFAX 4-H CAMP FUNDS

Four thousand dollars ($4,000) to 4-H and Youth Day Camp, Inc., for renovations to the 4-H Youth Camp in Halifax County.

S1179 HALIFAX COUNTY SCHOOL LIBRARIES FUNDS

Five thousand dollars ($5,000) to the Halifax County Board of Education to increase the library collections at the seven school libraries of the Halifax County Schools.

S1180* MARS HILL COLLEGE FUNDS

Twenty-five thousand dollars ($25,000) to Mars Hill College for the completion of the Appalachian Conference Center at Bruce Farm to be used by various civic organizations and public officials of Madison County and its municipalities.

S1182 YANCEY HUMAN RESOURCE CENTER FUNDS

Ten thousand dollars ($10,000) to Yancey County to defray the costs of constructing a Human Resource Center to benefit the citizens of Yancey County and to facilitate the services provided by the Yancey County Department of Social Services, Mental Health for Yancey County, Toe River Health District, and the Yancey County Health Department.

S1183* MCDOWELL RECREATION CENTER FUNDS

Fifteen thousand dollars ($15,000) to McDowell County for a recreational center. These funds shall be matched on a two-to-one, local-to-State funds match. These funds may be contributed to a nonprofit foundation or corporation if the County Commissioners determine that a center can best be built by such an organization.

S1184* ELIADA HOME FUNDS

Ten thousand dollars ($10,000) to Eliada Homes, Inc., for care of children at the Eliada Home for Children.

S1193 PENN HOUSE CENTER FUNDS

Ten thousand dollars ($10,000) to the City of Reidsville to complete and furnish the Penn House Community Center.

S1194 HIGGINS AGRICULTURAL CENTER FUNDS

Ten thousand dollars ($10,000) to Alleghany County for development and construction of the Carlyle Higgins Agricultural Center.

S1195 ASHE PUBLIC LIBRARY/ARTS FUNDS

Twenty thousand dollars ($20,000) to Ashe County for the completion and furnishing of the Ashe County Public Library

Ten thousand dollars ($10,000) to the Ashe County Arts Council, Inc., to promote the arts in Ashe County and the surrounding area.

S1196 APPALACHIAN ART CENTER FUNDS

Ten thousand dollars ($10,000) to the Town of Canton for an Appalachian Art multipurpose center to be located in the Colonial Memorial Theater.

S1199 WAYNESVILLE HOUSING AUTHORITY FUNDS

Twenty-seven thousand dollars ($27,000) to the Waynesville Housing Authority for capital improvements to the Waynesville Towers.

S1200 VALLEYTOWN CULTURAL ARTS FUNDS

Five thousand dollars ($5,000) to the Valleytown Cultural Arts and Historical Society, Inc., to promote the arts.

S1207 TABOR CITY COMMITTEE OF 100 FUNDS

Fifteen thousand dollars ($15,000) to the Tabor City Committee of 100, Inc., for downtown revitalization and beautification and economic development of the Tabor City area and southern Columbus County.

S1208 EAST ARCADIA GYM RESTORATION FUNDS

One thousand dollars ($1,000) to the Town of East Arcadia for restoration of the East Arcadia Gym.

S1209 CHADBOURN COMMITTEE OF 100 FUNDS

Two thousand dollars ($2,000) to the Town of Chadbourn for the Chadbourn Committee of 100 for industrial development in Columbus County.

S1210 LAKE TABOR BIRD SANCTUARY FUNDS

One thousand dollars ($1,000) to the Tabor City Recreation Commission, Inc., to improve and beautify the Lake Tabor Bird Sanctuary.

S1211 TABOR CITY CHAMBER FUNDS

Two thousand dollars ($2,000) to the Greater Tabor City Chamber of Commerce for community projects, including the North Carolina Yam Festival at Tabor City.

S1213 BOLTON COMMUNITY FUNDS

One thousand dollars ($1,000) to the Town of Bolton for community and recreational activities.

S1214 WHITEVILLE REVITALIZATION FUNDS

One thousand dollars ($1,000) to the Greater Whiteville Chamber of Commerce for downtown revitalization and beautification.

S1215 BEAVER DAM FIRE DEPT. FUNDS

One thousand dollars ($1,000) to the Beaver Dam Volunteer Fire Department of Cumberland County for operating expenses and equipment.

S1217 CHADBOURN COMMUNITY PROJECTS FUNDS

Two thousand dollars ($2,000) to the Greater Chadbourn Chamber of Commerce for community projects and downtown beautification.

S1219 BLADEN IMPROVEMENT ASSN. FUNDS

One thousand dollars ($1,000) to Bladen County Improvement Association, Inc., to support its community improvement programs.

S1220 BLADENBORO COMMUNITY BUILDING FUNDS

One thousand dollars ($1,000) to the Town of Bladenboro for capital improvements to the Bladenboro Community building.

S1223 FAIR BLUFF COMMUNITY FUNDS

One thousand dollars ($1,000) to The Greater Fair Bluff Chamber of Commerce for community projects, including the Fair Bluff Watermelon Festival.

S1224 MONTGOMERY COUNTY HOSPICE PROGRAM

Five thousand dollars ($5,000) to Hospice of Montgomery County, Inc., for program development.

S1225 TROY PARK EXPANSION FUNDS

Ten thousand dollars ($10,000) to the Town of Troy for Troy Park Expansion.

S1226 ROCKINGHAM RECREATION FOUNDATION FUNDS

Three thousand dollars ($3,000) to the Rockingham Recreation Foundation to improve the facilities at Palisades Park.

S1227 DOBBINS HEIGHTS PARK FUNDS

Three thousand dollars ($3,000) to the Town of Dobbins Heights for a park fence.

S1228 SCOTLAND JOB PROGRAMS FUNDS

Five thousand dollars ($5,000) to Scotland County for the youth jobs program.

S1231 ERWIN CENTER FUNDS

Six thousand dollars ($6,000) to the City of Gastonia for equipment for the Erwin Center.

S1235 GRANVILLE/PERSON/DURAM FUNDS

Five thousand dollars ($5,000) to the Oxford Business and Professional Chain, Incorporated, for the Granville County Senior Center as a grant to enable the Center to continue its services to the elderly.

Ten thousand dollars ($10,000) to the Person County Council on Aging for a van to transport the elderly to and from programs provided for them by the Council.

Five thousand dollars ($5,000) to the Board of Governors of The University of North Carolina for North Carolina Central University, for the 1987 Symposium on Public Transit.

S1238 LA GRANGE LIBRARY FUNDS

Three thousand five hundred dollars ($3,500) to the Town of La Grange for capital expenses of the La Grange Public Library.

S1239 LENOIR SCHOOL BANDS FUNDS

Four thousand dollars ($4,000) to the Lenoir County Board of Education for operating expenses of the Lenoir County Schools bands.

S1240 EASTERN MINORITY DEV. FUNDS

Fifty thousand dollars ($50,000) to the Eastern Minority Economic Development Corporation for operating expenses in promoting the development of minority businesses in Eastern North Carolina to benefit the entire economy of Eastern North Carolina.

S1244 FAYETTEVILLE HUMAN SERVICES/ARTS FUNDS

Three thousand dollars ($3,000) to the City of Fayetteville to help fund the programs and services of the Fayetteville Human Services Commission, which encourages fair treatment and mutual understanding among all ethnic groups.

Two thousand five hundred dollars ($2,500) to the Cumberland Sheltered Workshop for construction needs, equipment, and operating expenses.

Two thousand five hundred dollars ($2,500) to the Board of Governors of The University of North Carolina for Fayetteville State University, for its 3 R's Program.

Ten thousand dollars ($10,000) to the Fayetteville Museum of Art, Inc., for operating expenses.

S1246 LEE COUNTY FAMILY VIOLENCE FUNDS

Five thousand dollars ($5,000) to the Department of Administration for the Family Violence and Rape Crisis Association of Lee County for operating expenses, the purchase of a shelter, and educational programs for the public.

S1248 SMALL FARM MARKETING FUNDS

Two hundred thousand dollars ($200,000) to the North Carolina Association of Black Lawyers' Land Loss Prevention Project, Inc., to implement its Small Farm Horticultural Marketing Project, to assist in marketing horticultural products grown in rural North Carolina. No more than thirty-five percent (35%) of the funds appropriated may be used for administrative expenses. The North Carolina Association of Black Lawyers' Land Loss Prevention Project, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

S1250 ARTS TOGETHER FUNDS

Five thousand dollars ($5,000) to Arts Together, Inc., for restoration of the historic Tucker Carriage House for educational programs in the arts.

S1251 WAKE REHABILITATION SERVICES FUNDS

One thousand five hundred dollars ($1,500) to Rehabilitation

Services of Wake County, Incorporated, for operational funding to support out-patient services.

S1252 WESTERN MEDICAL CENTER FUNDS

Two thousand five hundred dollars ($2,500) to the Western Medical Center in Spring Lake for a heating system for the Anderson Creek Senior Citizens Meeting building.

S1253 ANGIER SENIOR CITIZENS FUNDS

Five thousand dollars ($5,000) to Angier Senior Citizens, Inc., for a heating and air conditioning unit for the meeting and activities building.

S1254 GARNER RECREATION FUNDS

Three thousand two hundred fifty dollars ($3,250) to the Town of Garner for recreation programs.

S1255 HARNETT UPLIFT OPERATION FUNDS

Four thousand dollars ($4,000) to Harnett County Uplift Operation, Inc., to assist minority businesses, prepare a directory, and coordinate local, State, and federal activities.

S1256 HISTORIC BETHABARA PARK FUNDS

Fifteen thousand dollars ($15,000) to Historic Bethabara Park, Inc., for the Historic Bethabara Park Gardens Restoration Project, particularly for the archaeological investigation and subsequent exhibition of the historically-significant Bethabara Community Gardens site.

S1257 NATURE SCIENCE CENTER FUNDS

Fifteen thousand dollars ($15,000) to the Nature Science Center of Forsyth County, Inc., to enable the Center to continue providing educational opportunities in the physical and natural sciences for all ages through exhibits, programs, and collections and to offer experiences in the sciences that will foster a better understanding and appreciation of the world in which we live.

S1260 CHATHAM AGING FUNDS

Two thousand five hundred dollars ($2,500) to the Chatham County Council on Aging, Inc., to enable the Council to continue to provide services for the older adults in Chatham County.

S1261 CHATHAM HOSPICE FUNDS

Two thousand dollars ($2,000) to Hospice of Chatham County, Inc., for its service of providing compassionate care to the terminally ill and their families.

S1262 JORDAN LAW ENFORCEMENT FUNDS

Ten thousand dollars ($10,000) to Chatham County for expenses in providing law enforcement for Jordan Lake.

S1263 ASHEBORO ARTS FUNDS

Ten thousand dollars ($10,000) to The Randolph Arts Guild to continue the renovation of a downtown building in Asheboro, to house a gallery, classrooms, studios for theater and dance, a craft shop, and the Guild's office and meeting rooms.

S1264 CHATHAM DOMESTIC VIOLENCE FUNDS

Two thousand dollars ($2,000) to the Family Violence and Rape Crisis Volunteers in Chatham County, Inc., for operating expenses in providing family violence and rape crisis services.

S1265 EAST SIDE DAY CARE SERVICE FUNDS

Ten thousand dollars ($10,000) to the East Side Improvement Association, Inc., to operate a day care facility for children from birth to three years of age of low to moderate income residents, by providing funds to expand the existing day care services provided by Asheboro Day Care Services, Inc.

S1267 RANDOLPH MENTAL HEALTH CRISIS FUNDS

Two thousand five hundred dollars ($2,500) to the Randolph County Mental Health Center to establish a telephone Helpline Contact to address mental health crises on a 24-hour basis.

S1268 COASTAL WOMEN'S SHELTER FUNDS

Five thousand dollars ($5,000) to the Coastal Women's Shelter Board, Inc., to defray the cost of purchasing a facility.

S1271 STRAWBERRY FESTIVAL FUNDS

Two thousand dollars ($2,000) to The North Carolina Strawberry Festival at Chadbourn, N.C., Inc., for the North Carolina Strawberry Festival.

S1272 ELIZABETHTOWN REVITALIZATION FUNDS

Two thousand dollars ($2,000) to the Town of Elizabethtown for the Elizabethtown Revitalization Project.

S1273 TABOR CITY COMMUNITY CENTER FUNDS

Two thousand dollars ($2,000) to Club Fifteen Civic League of Tabor City, North Carolina, Inc., to develop a community center.

S1275 COLUMBUS AGRICULTURAL BUILDING FUNDS

Five thousand dollars ($5,000) to the Columbus County Agricultural Fair, Inc., for capital costs in expanding the agricultural building at the Columbus County Fairgrounds for the use of the Agri-Business Association and the Columbus County Law Enforcement Association.

S1278 ALEXANDER PRISON CHAPEL FUNDS

Ten thousand dollars ($10,000) to the Alexander Prison Chapel Board, Inc., for construction and renovation of the prison chapel.

S1280 ROCKINGHAM JR. HIGH SCHOOL FUNDS

Three thousand dollars ($3,000) to the Rockingham board of Education for a fine arts festival at Rockingham Junior High School.

S1281 ANSON COUNTY ARTS COUNCIL FUNDS

Four thousand dollars ($4,000) to the Anson County Arts Council, Inc., for its arts program.

S1282 MCCROREY BRANCH YMCA FUNDS

Five thousand dollars ($5,000) to The Young Men's Christian Association of Charlotte and Mecklenburg, for the McCrorey Branch, to assist with the operating expenses of providing recreational services for inner-city youth and the maintenance of facilities.

S1283 AFRO-AMERICAN CULTURAL CENTER FUNDS

Five thousand dollars ($5,000) to the Charlotte Mecklenburg Afro-American Cultural and Service Center, Inc., for the preservation of historical materials, to display historical materials, and for community outreach programs.

S1284 EBENEZER ACADEMY FUNDS

Thirteen thousand dollars ($13,000) to the Division of Archives and History, Department of Cultural Resources, to be used by the Iredell Historic Properties Commission for the purpose of restoring the Ebenezer Academy.

The activities associated with this appropriation shall be performed in accordance with the standards and guidelines for such projects established by the State Historic Preservation Office, Division of Archives and History, and shall be conducted under the professional guidance of that agency.

S1285 DOGWOOD FESTIVAL FUNDS

Two thousand dollars ($2,000) to the Department of Commerce for the promotional expenses of the Carolina Dogwood Festival, Inc., a nonprofit corporation, provided the sum of eight thousand dollars ($8,000) is raised from private sources to match the grant on the basis of four dollars ($4.00) in private funds for every one dollar ($1.00) in State funds.

S1286 PINEHURST RESCUE SQUAD FUNDS

Two thousand dollars ($2,000) to the Pinehurst Rescue Squad, Inc., for operating expenses and equipment.

S1288 WEST END SCHOOL PARK FUNDS

Three thousand dollars ($3,000) to the Moore County Board of Education for West End School for the Community Park Area Project, to develop two playground areas and a natural trail.

S1289 SILER CITY WATER/SEWER FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Siler City to assist with improvements to the town's water and sewer system.

S1290 ORANGE BICENTENNIAL FUNDS

Two thousand dollars ($2,000) to Orange County for the use of the Orange County Committee on the Bicentennial of the Constitution for its 1988 programs.

S1291 CHATHAM WHITE PINES FUNDS

Two thousand five hundred dollars ($2,500) to Chatham County to purchase a wilderness tract in Chatham County known as White Pines.

S1292 DICKSON HOUSE FUNDS

One thousand dollars ($1,000) to The Preservation Fund of Hillsborough, Inc., to renovate the historic Alexander Dickson House in Hillsborough.

S1293* HAW RIVER ASSEMBLY FUNDS

Two thousand five hundred dollars ($2,500) to the Haw River Assembly, Inc., to fund studies of the relationship, if any, between the water quality of the Haw River and the cancer mortality rate in the Village of Bynum in Chatham County.

S1294 HILLSBOROUGH CEMETERY FUNDS

Five thousand dollars ($5,000) to the Town of Hillsborough for restoration and renovation of Hillsborough Historic Slave Cemetery, a pre-Civil War slave cemetery.

S1295 PINETREE FUNDS

Two thousand dollars ($2,000) to Pinetree Enterprises, in Moore County, to enable services to mentally and physically handicapped to continue and to expand to serve a doubled enrollment.

S1297 EASTERN NORTH CAROLINA TOMORROW

Thirty-one thousand dollars ($31,000) to the Neuse River Development Authority for the Eastern North Carolina Tomorrow Program, to encourage planned economic growth and development in the region.

S1300 ELKIN RECREATION CENTER FUNDS

Ten thousand dollars ($10,000) to the Town of Elkin to be used for the Elkin Recreational Center.

S1301 STONEVILLE TOWN REVITALIZATION FUNDS

Ten thousand dollars ($10,000) to the Town of Stoneville for town revitalization projects such as building sidewalks and similar projects.

S1302 DOBSON COMMUNITY CENTER FUNDS

Ten thousand dollars ($10,000) to the Town of Dobson to be earmarked for the adoption of a community center.

S1303 STOKES PROJECTS FUNDS

Fifteen thousand dollars ($15,000) to Stokes County to be used as follows:

(1) Ten thousand dollars ($10,000) to build an animal shelter; and

(2) Five thousand dollars ($5,000) to build an arts council.

S1304 MT. AIRY POLICE RADIO FUNDS

Ten thousand dollars ($10,000) to the City of Mount Airy to improve the Police Department Radio System.

S1305 MADISON-MAYODAN RECREATION/SCHOOL FUNDS

Ten thousand dollars ($10,000) to the Madison-Mayodan Recreation Commission for capital improvements to the Madison-Mayodan Recreation Center which is used by all citizens of the Madison-Mayodan area.

Five thousand dollars ($5,000) to the Town of Marshall for renovation of the Charles Drew School, an historic structure.

S1312 STANLY CO. VFD COMMUNICATIONS FUNDS

Eight thousand dollars ($8,000) to Stanly County for a communications system for the County's volunteer fire department.

S1313 UNION COMMUNITY HEALTH FUNDS

Five thousand dollars ($5,000) to the Community Health Services of Mecklenburg and Union Counties, Inc., for equipment for testing and services for the United Way.

S1314 WINCHESTER SCHOOL CENTER FUNDS

Five thousand dollars ($5,000) to the City of Monroe for the Winchester School Center for program development.

S1316 N.E. HUMAN DEVELOPMENT FUNDS

Two thousand eight hundred dollars ($2,800) to the Northeast Center for Human Development in Bertie County to continue its public service programs which include services for the elderly, community recreation programs, continuing education programs, and child development programs.

S1318 YWCA OF WAKE FUNDS

Seven thousand dollars ($7,000) to the Young Women's Christian Association of Wake County, North Carolina, Incorporated for playground equipment for the Oberlin Road and Hargett Street sites, provided an equal sum of non-State funds is raised to match this appropriation on a dollar-for-dollar basis.

S1321 TOWN OF GRIFTON FUNDS

One thousand five hundred dollars ($1,500) to the Town of Grifton for depot and town improvements.

S1322 GREENVILLE PROJECTS FUNDS

Seven hundred fifty dollars ($750.00) to the City of Greenville for equipment and supplies for the recreation department, five hundred dollars ($500.00) of which is for North River.

Five hundred dollars ($500.00) to the City of Greenville for equipment at the United Cerebral Palsy Development Center.

Five hundred dollars ($500.00) to the City of Greenville for program enrichment at the Sheppard Memorial Library.

S1324 ELM CITY EMS FUNDS

Five thousand dollars ($5,000) to Elm City Emergency Services, Inc., for community emergency medical services.

S1325 EDEN RECREATION FUNDS

Ten thousand dollars ($10,000) to the City of Eden to develop recreational facilities.

S1326 JONES HOUSE RENOVATION FUNDS

Ten thousand dollars ($10,000) to the Town of Boone to renovate the Jones House to be used as a community and cultural center.

S1327* MOUNTAIN AREA HOSPICE FUNDS

Two thousand five hundred dollars ($2,500) to the Mountain Area Hospice Corporation of Buncombe County for operating expenses to allow the Corporation to continue its service to the terminally ill patients.

S1329 CUED SPEECH FUNDS

One thousand five hundred dollars ($1,500) to Cued Speech Center, Inc., for the North Carolina Cued Speech Association in New Hanover County to conduct weekend workshops for family members of hearing impaired people and professionals to teach them how to use cued speech and to work with local schools in mainstreaming hearing impaired children.

S1330 MOTHER'S HELPER FUNDS

Seven hundred dollars ($700.00) to Mother's Helper of Wilmington, N.C., to assist with operating costs of its public service programs to help indigent mothers with early childhood care.

S1331 NEW HANOVER ARBORETUM FUNDS

Two thousand dollars ($2,000) to New Hanover County Extension Service Arboretum for further development of the arboretum which offers the public an opportunity to enjoy and learn more about plants and their cultivation.

S1332 PINE FOREST CEMETERY FUNDS

Two thousand dollars ($2,000) to Pine Forest Cemetery to clear out, restore, and rehabilitate Pine Forest Cemetery, a public cemetery of historic significance in Wilmington.

S1333 BRIGADE BOYS CLUB FUNDS

Three thousand dollars ($3,000) to Brigade Boys Club, Inc., for capital improvements.

S1334 CAPE FEAR UNITED WAY FUNDS

Twelve thousand five hundred dollars ($12,500) to Cape Fear Area United Way, Incorporated, to help support its many public service programs.

S1335 MYRTLE GROVE CENTER FUNDS

Seven hundred dollars ($700.00) to Myrtle Grove Community Center, Inc., in New Hanover County for repairs and upgrading of the center which serves all citizens of Myrtle Grove.

S1336 NEW HANOVER SALVATION ARMY FUNDS

Three thousand dollars ($3,000) to the Salvation Army in New Hanover County for its home for transients, which provides care to needy people regardless of race, creed, sex or ethnic or religious background.

S1337 VETERANS' MEMORIAL FUNDS

Two thousand dollars ($2,000) to American Legion Post #10, in New Hanover County, to erect a monument to U.S. Servicemen commemorating their valiant services and defense of the nation and their efforts to keep secure those freedoms treasured by American citizens.

S1338 FAMILIES IN CRISIS FUNDS

One thousand dollars ($1,000) to Families in Crisis, Inc., to assist in the operating expenses of its public services for family members of inmates.

S1339 ROBESON VIDEO FUNDS

Fifteen thousand dollars ($15,000) to Robeson County Committee of 100, Inc. to produce a video film on Robeson County.

S1340 ROBESON BICENTENNIAL FUNDS

Ten thousand dollars ($10,000) to the Robeson County Bicentennial Foundation Incorporated, to fund various events in the celebration of Robeson County's 200th Anniversary.

S1341 MARIETTA/WHITEHOUSE FIRE FUNDS

Five thousand dollars ($5,000) to the Town of Marietta for the Whitehouse Volunteer Fire Department to purchase a fire truck.

S1342 PITT/EDGECOMBE VFD FUNDS

Three thousand dollars ($3,000) to Pitt County for grants-in-aid for expenses of one thousand five hundred dollars ($1,500) each for the following entities: Belvoir Fire Department and Falkland Fire Department.

Nine thousand dollars ($9,000) to Edgecombe County for grants-in-aid for expenses of one thousand five hundred dollars ($1,500) each for the following entities: Princeville Volunteer Fire Department, Inc., Macclesfield Volunteer Fire Department, Leggett Volunteer Fire Department, Inc., Heartsease Volunteer Fire Department, Lewis Community Volunteer Fire Department, and the Conetoe Volunteer Fire Company.

S1344 FOURTH OF JULY FESTIVAL FUNDS

Two thousand ($2,000) to the City of Southport to sponsor the annual Fourth of July Festival in Southport.

S1346 KELLY STREET/CROSSROADS FUNDS

Twenty-eight thousand dollars ($28,000) to the Department of Human Resources for the operation of the "Kelly Street, U.S.A." boarding home and the "Crossroads" alternative living projects, provided the sum of ten thousand dollars ($10,000) is raised from private and local public sources in Rowan, Davie, and Iredell Counties to match the State funds.

S1348 ELIZABETH CITY HOPELINE FUND

Five thousand dollars ($5,000) to the City of Elizabeth City for operating expenses, for Hopeline in Elizabeth City, for its services to people in crisis.

S1349 MANTEO HOPELINE FUNDS

Five thousand dollars ($5,000) to the Town of Manteo to establish a Hopeline in Manteo, to provide services to people in crisis.

S1351 PITT COUNTY FUNDS

Seven thousand seven hundred fifty dollars ($7,750) to Pitt County to be allocated as follows:

(1) seven hundred fifty dollars ($750.00) for equipment and program enrichment at the Pitt County Boys' Club;

(2) five hundred dollars ($500.00) for help for retarded citizens by the Pitt County Laughinghouse Fund of the Association for Retarded Citizens;

(3) five hundred dollars ($500.00) for program training of the Eastern Carolina Home Health Services, Inc.;
(4) five hundred dollars ($500.00) for equipment at the Pitt County Senior Citizens Center;
(5) five hundred dollars ($500.00) for equipment and supplies at the Pitt County Mental Health Child Developmental Day Center.
(6) seven hundred fifty dollars ($750.00) for program development of the Pitt County Family Violence Program;
(7) seven hundred fifty dollars ($750.00) for a historical survey to be conducted by the Pitt County Historical Society;
(8) five hundred dollars ($500.00) for restoration at the Pitt County Farm Museum;
(9) five hundred dollars ($500.00) for supplies at the Pitt-Greenville Arts Council; and
(10) seven hundred fifty dollars ($750.00) for the building program at the Pitt-Greenville Museum of Art.
(11) five hundred dollars ($500.00) for festival promotional expenses of the Pitt County Southern Flue-Cured Tobacco Festival;
(12) five hundred dollars ($500.00) for conventions and tourism promotion by the Pitt-Greenville Chamber of Commerce;
(13) two hundred fifty dollars ($250.00) for equipment of the Chicod Recreation Program;
(14) five hundred dollars ($500.00) to the Town of Grimesland for Town improvements.

S1352 MARTIN PLAYERS FUNDS

Three thousand two hundred fifty dollars ($3,250) to Martin Community Players, Inc., for budget support for plays.

S1353 ECU FUNDS

Two thousand five hundred dollars ($2,500) to the Board of Governors of The University of North Carolina to be allocated as follows:

(1) five hundred dollars ($500.00) for scholarships with the East Carolina University Friends of Music:

(2) seven hundred fifty dollars ($750.00) for equipment at the Ronald McDonald House of Children's Services of Eastern Carolina, Inc;

(3) seven hundred fifty dollars ($750.00) for camp expenses for children with cancer at Camp Rainbow of the East Carolina University School of Medicine; and

(4) five hundred dollars ($500.00) for program support of the Kids in Motion Program of the East Carolina University School of Medicine.

S1354 BEAUFORT FIRE DEPARTMENT FUNDS

Seven thousand five hundred dollars ($7,500) to Beaufort County for grants-in-aid for equipment purchases of seven hundred fifty dollars ($750.00) each for the following entities: Chocowinity Volunteer Fire Department, Pamlico Beach Volunteer Fire Department, Blounts Creek Volunteer Fire Department, Old Ford Volunteer Fire Department, Bath Volunteer Fire Department, Aurora Volunteer Fire Department, Pinetown Volunteer Fire Department, Long Acre Volunteer Fire Department, Bunyan Volunteer Fire Department, and Sidney Volunteer Fire Department.

S1355 BEAUFORT RESCUE SQUAD FUNDS

Four thousand five hundred dollars ($4,500) to Beaufort County for grants-in-aid for equipment purchases of seven hundred fifty dollars ($750.00) each for the following entities: Pamlico Beach Rescue Squad, Long Acre Rescue Squad, Aurora Rescue Squad, Blount's Creek Rescue Squad, Washington Rescue Squad, and Community Rescue Squad.

S1357 GREENE COUNCIL ON AGING FUNDS

Three thousand dollars ($3,000) to the Greene County Council on Aging to assist in the operating expenses of its public service programs.

S1359 GENERAL LEE MEMORIAL COMM. FUNDS

Seven thousand dollars ($7,000) to The General William C. Lee Memorial Commission, Inc., for museum exhibit cases.

S1360 DUPLIN EDUCATION FOUNDATION FUNDS

Two thousand five hundred dollars ($2,500) to The Duplin County Education Foundation for operating expenses.

S1361 DUPLIN MONUMENT FUNDS

One thousand dollars ($1,000) to Duplin County for the Duplin County Monument Committee for capital expenses.

S1362 ROSE HILL RECREATION FUNDS

Two thousand dollars ($2,000) to the Town of Rose Hill for operating expenses of the Rose Hill Recreation Department.

S1363 JONES AG CENTER FUNDS

Five thousand dollars ($5,000) to Jones County for operating expenses of its agricultural center.

S1365 PENDER/LENOIR/JONES VFD FUNDS

Four thousand dollars ($4,000) to Pender County for grants-in-aid for operating expenses of one thousand dollars ($1,000) each for the Shiloh Volunteer Fire Department and the Penderlea Volunteer Fire Department, and two thousand dollars ($2,000) for the Watha Volunteer Fire Department.

One thousand dollars ($1,000) to Jones County for a grant-in-aid for operating expenses for the Wyse Fork Volunteer Fire Department, Inc.

Five thousand dollars ($5,000) to Lenoir County for grants-in-aid for operating expenses to be divided equally among the following entities: Sand Hills Volunteer Fire Department, Sandy Bottom Volunteer Fire Department, Hugo Volunteer Fire Department, Southwood Volunteer Fire Department, North Lenoir Volunteer Fire Department, La Grange Volunteer Fire Department, Deep Run Volunteer Fire Department, and Pink Hill Volunteer Fire Department.

S1368 FRIENDS OF THE PAGE-WALKER HOTEL FUNDS

Three thousand two hundred fifty dollars ($3,250) to the Friends of the Page-Walker Hotel, Inc., for restoration of the historic Page-Walker Hotel to be used as an arts and history center.

S1369 APEX RECREATION FUNDS

Three thousand two hundred fifty dollars ($3,250) to the Town of Apex for recreational programs.

S1370 TRIANGLE LAND CONSERVANCY FUNDS

Two thousand five hundred dollars ($2,500) to the Triangle Land Conservancy for the Conservancy's land use programs

S1372 GETHSEMANE ENRICHMENT PROGRAM FUNDS

Five thousand dollars ($5,000) to The Gethsemane Enrichment Program, Inc., to assist in the operating expenses of its day care program and of its enrichment program for culturally deprived children.

S1373 IREDELL COUNCIL ON AGING FUNDS

Two thousand dollars ($2,000) to the Department of Human Resources to be paid to the Iredell County Council on Aging, Inc., for transportation services or equipment to serve the elderly.

S1374 IREDELL COURTHOUSE RENOVATION FUNDS

Twenty-five thousand dollars ($25,000) to the Department of Cultural Resources for the renovation of the Iredell County Courthouse, provided an equal amount of local public funds is expended on plans and renovation of the Iredell County Courthouse.

S1375 LUCAMA FIRE DEPARTMENT FUNDS

Three thousand dollars ($3,000) to the Cross-Roads Volunteer Fire Department, Inc., to purchase equipment for the Lucama Fire Department.

S1376 EAST CAROLINA BOY SCOUTS FUNDS

Two thousand dollars ($2,000) to the East Carolina Council, Boy Scouts of America, Inc. for renovations to Camp Charles located one and one-half miles southwest of Bailey.

S1377 WILSON FIREMAN'S ASSOC. FUNDS

Three thousand dollars ($3,000) to the Wilson County Fireman's Association for the purchase of equipment to answer calls involving hazardous waste and chemical spills.

S1378 ROANOKE VALLEY YOUTH SOCCER FUNDS

Four thousand dollars ($4,000) to the Roanoke Valley Youth Soccer Association for development and maintenance of soccer fields.

S1379 NASH BABE RUTH LEAGUE FUNDS

Four thousand dollars ($4,000) to the Nash County Babe Ruth Baseball League, Inc., for the construction of a baseball field.

S1380 ROANOKE RAPIDS LIBRARY FUNDS

Five thousand dollars ($5,000) to the Halifax County Library to purchase books for the Roanoke Rapids Public Library.

S1381 ROANOKE RAPIDS SCHOOL FUNDS

Five thousand dollars ($5,000) to the Roanoke Rapids Board of Education for renovation of the high school auditorium.

S1382 UNION MISSION FUNDS

Two thousand dollars ($2,000) to the Union Mission of Roanoke Rapids, North Carolina, Incorporated, a nonprofit organization which provides room and board and a work program for transients, for operating expenses.

S1384 WINTERVILLE PROJECTS FUNDS

One thousand five hundred dollars ($1,500) to the Town of Winterville to be equally divided among the following projects:

(1) Improvements to community center;
(2) Restoration projects by the Historical Society; and
(3) Equipment for the recreation department.

S1385 PITT RESCUE SQUAD FUNDS

Five thousand two hundred fifty dollars ($5,250) to Pitt County for grants-in-aid for expenses of seven hundred fifty dollars ($750.00) each for the following entities: Ayden Rescue Squad, Winterville Rescue Squad, Grifton Rescue Squad, Eastern Pines Rescue Squad, Pactolus Rescue Squad, Greenville Rescue Squad, and Pitt Ambulance Rescue Squad.

S1386 AYDEN LIBRARY/RECREATION FUNDS

One thousand dollars ($1,000) to the Town of Ayden for library books.

One thousand two hundred fifty dollars ($1,250) to the Town of Ayden for a plan for a recreation center.

S1388 LITERACY FUNDS

Eight thousand dollars ($8,000) to Scotland County for the Scotland County Literacy Council to continue the literacy program and for planning funds.

S1390 MONROE PARKS FUNDS

Twenty-five thousand dollars ($25,000) to the City of Monroe for the city parks.

S1396 RICHMOND COMMUNITY THEATRE FUNDS

Five thousand dollars ($5,000) to the Richmond Community Theatre for building renovations.

S1397 CUED SPEECH CENTER FUNDS

Three thousand dollars ($3,000) to the Cued Speech Center, Inc., for program development in providing services for the hearing impaired.

S1398 FRANKLIN RESCUE SQUAD/FIRE DEPT FUNDS

Nine thousand dollars ($9,000) to Franklin County for grants-in-aid for expenses of one thousand five hundred dollars ($1,500) each for the following entities: Bunn Rescue Service, Centerville Rescue Service, Louisburg Rescue Service, Franklinton Rescue Service, Inc., Youngsville Rescue Service, Inc., and White Level Rescue Squad.

Six thousand five hundred dollars ($6,500) to Franklin County for grants-in-aid of the following amounts to the following fire departments: one thousand five hundred dollars ($1,500) each to Epson Fire Department, Gold Sand Fire Department, and Pilot Fire Department, and two thousand dollars ($2,000) to Louisburg Fire Department.

S1400 LIFE EXPERIENCES FUNDS

Three thousand dollars ($3,000) to Life Experiences, Inc., for programs and operations for job opportunities for the mentally handicapped.

S1401 HENDERSON FARMERS MARKET FUNDS

Twelve thousand dollars ($12,000) to the City of Henderson for capital expenses of the Henderson Farmers Market.

S1404 FRANKLIN/VANCE/WARREN PRESCHOOL FUNDS

Two thousand five hundred dollars ($2,500) to Franklin-Vance-Warren Opportunity, Inc., for a preschool program for poor children.

S1405 FAMILY VIOLENCE INTERVENTION FUNDS

Two thousand dollars ($2,000) to the Family Violence Intervention Program of Region K for operating expenses to provide services.

S1406 TAMMY LYNN FUNDS

Five thousand dollars ($5,000) to the Tammy Lynn Memorial Foundation, Inc., to assist in construction of 20 ICF/MR beds, expansion of the school building, a new commercial kitchen, and renovation of program and administrative offices at the Tammy Lynn Center.

S1407 WAKE FIRE DEPARTMENT FUNDS

Three thousand dollars ($3,000) to Wake County for grants-in-aid for expenses of one thousand five hundred dollars ($1,500) each for the following entities: Hopkins Fire Department, and the Stoney Hill Rural Fire Department.

S1408 YOUNGSVILLE TOWN HALL FUND

Two thousand five hundred dollars ($2,500) to the Town of Youngsville for renovation of the Town Hall.

S1409 BALLET THEATER OF RALEIGH FUNDS

One thousand dollars ($1,000) to The Ballet Theater Company of Raleigh to promote ballet for children.

S1410 TAMMY LYNN FOUNDATION FUNDS

Three thousand dollars ($3,000) to the Tammy Lynn Memorial Foundation, Inc., for its ongoing programs serving the mentally retarded.

S1411 LEARNING TOGETHER, INC., FUNDS

Three thousand dollars ($3,000) to Learning Together, Inc., for the expansion of provisional services, such as physical therapy, occupational therapy, and family support.

S1412 SHELLEY SCHOOL FUNDS

Two thousand dollars ($2,000) to the Shelley School Child Development Center for its ongoing programs serving retarded children.

S1413 SAMARITAN COLONY FUNDS

Nine thousand dollars ($9,000) to the Samaritan Colony, Incorporated, for kitchen renovations, to enable the continuation of services for the poor and needy.

S1414 NORTHWEST DAY SCHOOL FUNDS

Twenty-five thousand dollars ($25,000) to the Northwest Ministry Developmental Day School, Inc., to provide funds for expansion of classrooms, food service, and staff to accommodate additional children on the waiting list at the day school.

S1415 YANCEY E.M.S. FUNDS

Ten thousand dollars ($10,000) to Yancey County for a communications system to serve emergency medical service providers.

S1416 PENDER SCHOOL FUNDS

One thousand two hundred dollars ($1,200) to the Pender County Board of Education to enhance arts programs for students in Pender County and to assist in the cost of a visit by the North Carolina Symphony to Pender County to perform for the students and the community.

S1417 SOUTHEASTERN SICKLE CELL FUNDS

One thousand five hundred dollars ($1,500) to The Southeastern Sickle Cell Association, Incorporated, to help educate citizens about sickle cell disease and to assist patients suffering from sickle cell disease by helping with medical expenses, transportation arrangements, and other needs.

S1418 CANETUCK COMMUNITY CENTER FUNDS

One thousand five hundred dollars ($1,500) to Pender County for the Canetuck Community Center to use for its public service programs or for repairs and maintenance for its facility.

S1419 TOPSAIL SCHOOL FUNDS

One thousand dollars ($1,000) to the Pender County Board of Education to replace band uniforms for the marching band at Topsail Junior-Senior High School.

S1420 KATIE B. HINES CENTER FUNDS

One thousand five hundred dollars ($1,500) to the Katie B. Hines Senior Center, Inc., in New Hanover County, for supplies and equipment needed for the public services offered to senior citizens in the area.

S1421 CAROLINA BEACH RESCUE FUNDS

Five hundred dollars ($500.00) to the Pleasure Island Volunteer Rescue Squad, Inc., in Carolina Beach for operating expenses and equipment.

S1422 EDGECOMBE RESCUE SQUAD FUNDS

Six thousand dollars ($6,000) to Edgecombe County for grants-in-aid for expenses of two thousand dollars ($2,000) to the West Edgecombe Rescue Squad, two thousand dollars ($2,000) to the Tarboro Rescue Squad, and two thousand dollars ($2,000) to the Pinetops Rescue Squad.

S1423 ROBERSONVILLE HOSPITAL FUNDS

Five thousand dollars ($5,000) to Robersonville Community Hospital, Inc., in Martin County, to update lab equipment.

S1424 MARTIN COURTHOUSE FUNDS

One thousand dollars ($1,000) to Martin County for restoration of the Old Courthouse in Williamston.

S1427 WESTERN SCHOOL FUNDS

Forty thousand dollars ($40,000) to the Department of Public Education for the Western Regional Education Center to be used as grants to the following 12 school administrative units to permit these units to take advantage of opportunities for educational enrichment programs: Cherokee County, Clay County, Graham County, Haywood County, Henderson County, Jackson County, Macon County, Polk County, Swain County, Transylvania County, Tryon City, and Henderson City School Systems.

S1428 MARTIN RESCUE SQUAD FUNDS

One thousand five hundred dollars ($1,500) to the Martin County for grants-in-aid for equipment purchases of seven hundred fifty dollars ($750.00) each for the Williamston Volunteer Rescue Squad and the Jamesville Volunteer Rescue Squad.

S1429 PITT BAND FUNDS

Two thousand dollars ($2,000) to the Pitt County Board of Education for band equipment, the funds to be allocated equally to Rose High, D.H. Conley, Ayden Grifton, and North Pitt High Schools.

S1430 PAMLICO-TAR RIVER FUNDS

One thousand five hundred dollars ($1,500) to the Pamlico-Tar River Foundation, Inc., for environmental studies.

S1431 MARTIN FIRE DEPARTMENT FUNDS

Three thousand dollars ($3,000) to Martin County for grants-in-aid for equipment purchases of seven hundred fifty dollars ($750.00) each for the following entities: Williamston Fire Department, Jamesville Volunteer Fire Department, Bear Grass Volunteer Fire Department, and Griffin's Township Volunteer Fire Department.

S1432 ALAMANCE ARTS COUNCIL FUNDS

Eight thousand dollars ($8,000) to the Alamance County Arts Council, Inc., for support of grass roots arts programs and other operational expenses.

S1435 CASWELL EMERGENCY TOWER FUNDS

Ten thousand dollars ($10,000) to Caswell County to purchase an

emergency services communications tower.

S1436 CASWELL ARTS AND HISTORY FUNDS

Two thousand dollars ($2,000) to Caswell Council for Arts & History, Inc., for operating expenses of the Council, to enable the Council to continue promoting the arts and the history of Caswell County.

S1437 SNOW CAMP DRAMA FUNDS

Ten thousand dollars ($10,000) to the Snow Camp Historical Drama Society, Inc., to support and develop an outdoor drama concerning the underground railroad movement.

S1438 ALAMANCE HIST. PROPERTIES FUNDS

Two thousand dollars ($2,000) to the Alamance Historical Properties Commission for the restoration of historical McRae School.

S1441 HYDE COUNTY VFD FUNDS

Twenty-five thousand dollars ($25,000) to Hyde County to be divided equally among the five volunteer fire departments serving the county: the Englehard Volunteer Fire Department, the Fairfield Volunteer Fire Department, the Ocracoke Volunteer Fire Department, the Scranton Volunteer Fire Department, and the Swan Quarter Volunteer Fire Department.

S1442* TRANSYLVANIA YOUTH CENTER FUNDS

Twenty thousand dollars ($20,000) to Transylvania County for the Transylvania Youth Association Community Center Building, to complete construction of the facility, which will be used by many organizations, including Blue Ridge Technical School, the Transylvania Arts Council, the Transylvania County School System, and the Transylvania Youth Association.

S1444 GRAHAM SCHOOL BUS FUNDS

Twenty thousand dollars ($20,000) to the Graham County Board of Education to purchase a school bus.

S1445 COOLEY LIBRARY FUNDS

Ten thousand dollars ($10,000) to the Harold D. Cooley Library in Nash County for its building fund.

S1446 RED OAK COMMUNITY CTR. FUNDS

Three thousand dollars ($3,000) to the Town of Red Oak for renovations to the Red Oak Community Center.

S1453 S. BRUNSWICK BOOSTERS' FUNDS

One thousand dollars ($1,000) to the Brunswick County Board of Education for the South Brunswick High School Athletic Boosters for athletic equipment.

S1454 N. BRUNSWICK BOOSTERS' FUNDS

One thousand dollars ($1,000) to the Brunswick County Board of Education for the North Brunswick High School Athletic Boosters for athletic equipment.

S1455 MINGO COMMUNITY BUILDING FUNDS

Two thousand dollars ($2,000) to Sampson County for repairs, improvements, and operating costs of the Mingo Community Building.

S1456 BEAR GRASS/JAMESVILLE FUNDS

Two thousand dollars ($2,000) to Martin County for grants in equal amounts to the Towns of Jamesville and Bear Grass for town improvements.

S1457 MAPLE HILL CIVIC CENTER FUNDS

Two thousand dollars ($2,000) to Pender County for the Maple Hill Civic Club to use for operating expenses of its public service projects.

S1458 COASTAL RECREATIONS FUNDS

One thousand five hundred dollars ($1,500) to Pender County for Coastal Recreations, Inc., to help construct a recreational facility for citizens in the Topsail Township area and to offer recreational activities for citizens of all ages in the community.

S1459 HEADSTART OF NEW HANOVER FUNDS

Three thousand five hundred dollars ($3,500) to Headstart of New Hanover County, Incorporated, to assist with the cost of building renovations and the purchase of a bus, to permit the continuation of educational services to preschool children in need of a headstart.

S1460 NEW HANOVER FIRE/RESCUE FUNDS

Five hundred dollars ($500.00) to Ogden-New Hanover Volunteer Rescue Squad, Inc., for operating expenses and equipment.

Five hundred dollars ($500.00) to the Castle Hayne Volunteer Rescue Squad, Inc., for operating expenses and equipment.

Four thousand dollars ($4,000) to New Hanover, to be divided equally among the following fire departments for operating expenses and equipment:

Castle Hayne Volunteer Fire Department, Inc.
Federal Point Volunteer Fire Department, Inc.
Myrtle Grove Fire Department, Inc.
Ogden Volunteer Fire Department, Inc.
Sea Gate Fire Department, Inc.
South Wilmington Volunteer Fire Department, Inc.
Winter Park Volunteer Fire Department, Inc.
Wrightsboro Volunteer Fire Department, Inc.

S1464 ALLIED SHELTER FUNDS

Seven thousand dollars ($7,000) to the Allied Churches of Alamance County, Inc., for the purchase of property to serve as a shelter for the homeless.

S1467 WESLEY HALL OF ALAMANCE FUNDS

Five thousand dollars ($5,000) to Wesley Hall of Alamance, Inc., for operational expenses for its mental health and drug addiction treatment center.

S1468 ALAMANCE FIRE MARSHALL FUNDS

Fifteen thousand dollars ($15,000) to Alamance County to be utilized by the Alamance County Fire Marshall's Office for training materials and equipment and to upgrade its fire training center.

S1469 CASWELL EDUC. FOUNDATION FUNDS

Two thousand dollars ($2,000) to the Caswell County Board of Education for the establishment of an educational foundation.

S1470 CASWELL LIBRARY FUNDS

Five thousand dollars ($5,000) to the Hyconeechee Regional Library to pave the parking lot of Gunn Memorial Public Library in Caswell County.

S1471 WAKE/FRANKLIN SENIORS FUNDS

Four thousand dollars ($4,000) to the Town of Wendell for capital cost of the Eastern Wake Senior Citizens Center.

Four thousand dollars ($4,000) to the Town of Wake Forest for capital costs of a senior citizens center.

Two thousand five hundred dollars ($2,500) to the Town of Franklinton for senior citizens services and programs.

S1472 HOLLY SPRINGS RURAL FIRE DEPT. FUNDS

Three thousand two hundred fifty dollars ($3,250) to the Holly Springs Rural Fire Department for fire-fighting equipment.

S1474 PITT/WILSON ARTS FUNDS

One thousand dollars ($1,000) to the Farmville Community Arts Council, Inc., for arts promotion.

One thousand dollars ($1,000) to The Arts Council of Wilson, Inc., for arts promotion.

S1475 EDGECOMBE/WILSON REHAB. FUNDS

Five thousand dollars ($5,000) to the Diversified Opportunities, Inc., for vocational rehabilitation services in the Wilson County area.

Five thousand dollars ($5,000) to the Opportunities Industrialization Center, Inc., for vocational rehabilitation services in the Rocky Mount area.

One thousand dollars ($1,000) to the Tri-County Industries, Inc., for vocational rehabilitation services in the Rocky Mount area.

Five thousand dollars ($5,000) to the Opportunities Industrialization Center of Wilson, Inc., for vocational rehabilitation services in the Wilson County area.

S1477 PENDER FIRE & RESCUE FUNDS

Eight thousand five hundred dollars ($8,500) to Pender County to be divided equally among the following fire departments and rescue squads:

PENDER COUNTY FIRE DEPARTMENTS
Atkinson City Fire Department
Burgaw Fire Department
Hampstead Volunteer Fire Department
Long Creek Fire Department
Maple Hill Fire Department
Penderlea Fire Department
Rocky Point Fire Department
Shiloh Fire Department
Sloop Point Fire Department
Surf City Volunteer Fire Department, Inc.
Scott Hill Fire Department
Topsail Beach Fire Department

PENDER COUNTY RESCUE SQUADS
Fender County Rescue Squad, Inc.
Pender East Volunteer Rescue Squad, Inc.
Surf City Volunteer Rescue Squad, Inc.

Topsail Beach Volunteer Rescue Squad, Inc.
Union Rescue Squad, Inc.

These funds shall be used for operating expenses and equipment.

S1478 PENDER LIBRARY FUNDS

One thousand seven hundred dollars ($1,700) to the Pender County Library to revitalize its book collection and continue its historic photograph preservation project, and for support of its other programs.

S1480 MORATOC PARK FUNDS

One thousand five hundred dollars ($1,500) to the Town of Williamston for grounds maintenance and building improvements at Moratoc Park.

S1481 WASHINGTON/BEAUFORT CIVIC CENTER FUNDS

Two thousand dollars ($2,000) to the City of Washington for landscaping and program enrichment at the Washington/Beaufort Civic Center.

S1482 GUILFORD AND BHM LIBRARIES FUNDS

One thousand five hundred dollars ($1,500) to the Hazel W. Guilford Memorial Library for books and building improvements.

One thousand five hundred dollars ($1,500) to the BHM Regional Library System for books and building improvements.

S1483 PITT FIRE DEPARTMENTS FUNDS

Seven thousand dollars ($7,000) to Pitt County for grants-in-aid for operating expenses and equipment to be divided equally among the following entities: Ayden Volunteer Fire Department, Black Jack Volunteer Fire Department, Clarks Neck Volunteer Fire Department, Gardnersville Volunteer Fire Department, Grimesland Volunteer Fire Department, Red Oak Volunteer Fire Department, Simpson Volunteer Fire Department, Staton House Volunteer Fire Department, Stokes Volunteer Fire Department, Grifton Volunteer Fire Department, Eastern Pines Volunteer Fire Department, Pactolus Volunteer Fire Department, and Winterville Volunteer Fire Department.

S1485 HAMLET LIBRARY FUNDS

Nine thousand dollars ($9,000) to the Town of Hamlet for the Hamlet Library Fund for a new building.

S1486 J. R. FAISON COMMUNITY CENTER FUNDS

Nineteen thousand dollars ($19,000) to the J. R. Faison Community Center, Inc., for building renovations.

S1487 CHILD CARE DIRECTIONS FUNDS

Nine thousand dollars ($9,000) to Child Care Directions, Inc., for program development for the child caring service community.

S1489 OYSTER FESTIVAL FUNDS

One thousand dollars ($1,000) to the South Brunswick Islands Chamber of Commerce to promote the North Carolina Oyster Festival.

S1490 W. BRUNSWICK BOOSTERS FUNDS

One thousand dollars ($1,000) to the West Brunswick Boosters Club, Inc., for athletic equipment.

S1492 KNIGHTDALE RECREATION PARK FUNDS

Three thousand dollars ($3,000) to the Town of Knightdale for improvements to the recreation park.

S1493 DOMESTIC VIOLENCE FUNDS

Five thousand dollars ($5,000) to Tri-County Services for Abused Spouses, Inc., for the options program to assist victims of domestic violence and sexual assault.

S1495 FARMVILLE COMMUNITY ARTS COUNCIL FUNDS

Three thousand dollars ($3,000) to The Farmville Community Arts Council, Inc., for the Spring Festival.

S1496 EDGECOMBE/PITT SENIOR FUNDS

One thousand dollars ($1,000) to Vigorous Interventions In Ongoing Natural Settings, Inc., (VISIONS, Inc.,) an adult day care center outreach program for frail, low-income, and elderly adults, for services to the elderly at the Wright Center in the Rocky Mount area.

Two thousand dollars ($2,000) to the Farmville Senior Council for elderly transportation.

One thousand dollars ($1,000) to the Town of Bethel for the senior citizens center.

One thousand dollars ($1,000) to the Town of Tarboro for transportation of the elderly by the E. L. Roberson Center of the Recreation Department.

S1497 PITT/EDGECOMBE/WILSON TOURISM FUNDS

One thousand dollars ($1,000) to the Pitt-Greenville Chamber of

Commerce, Inc., for tourism promotion.

One thousand dollars ($1,000) to the Tarboro Chamber of Commerce, Inc., for tourism promotion.

One thousand dollars ($1,000) to the Wilson Chamber of Commerce, Inc., for tourism promotion.

S1498 WILSON EMERGENCY MANAGEMENT FUNDS

Two thousand dollars ($2,000) to Wilson County for the Wilson County Emergency Management Agency for equipment to handle hazardous materials and hazardous spills.

S1499 WILSON COUNTY 4-H CLUBS FUNDS

Five thousand dollars ($5,000) to Wilson County for the Wilson County 4-H Clubs to be used for scholarships to Southern Region 4-H Forums, the State 4-H Leaders Conference, and the State 4-H Conference, and for transportation.

S1500 CHARLOTTE/MECKLENBURG YOUTH COUNCIL FUNDS

Forty thousand dollars ($40,000) to the Charlotte/Mecklenburg Youth Council to assist in the operation of this organization in Mecklenburg County.

S1502 ST. PAULS COMM. ASSOC. FUNDS

Five thousand dollars ($5,000) to the St. Pauls Community Association for Progress to make repairs to the building that houses the head start program and senior citizens program.

S1506 CASWELL HISTORICAL ASSOC. FUNDS

Two thousand dollars ($2,000) to the Caswell County Historical Association, Inc., to move and renovate "Poteats' Old School", a historic structure in Caswell County.

S1507 PELHAM COMMUNITY CENTER FUNDS

Two thousand dollars ($2,000) to Pelham Community Center, Inc., for operating expenses of the Pelham Community Center.

S1511 SOURWOOD FESTIVAL FUNDS

Two thousand five hundred dollars ($2,500) to the Town of Black Mountain to promote the activities of the tenth annual Sourwood Festival which attracts tourists from many states and to finance three or four world-class runners to attract more runners for its Sourwood Run.

S1512 AFTER SCHOOL CARE FUNDS

Fifteen thousand dollars ($15,000) to the Buncombe County Board of Education for the development and expansion of the After School Child Care Program, a service that allows children in grades kindergarten through sixth to remain at school instead of going home alone.

S1514 ZEBULON/ROLESVILLE RECREATION FUNDS

Four thousand dollars ($4,000) to the Town of Zebulon for community recreation expenses.

Three thousand dollars ($3,000) to the Town of Rolesville for public park and recreation expenses.

S1515 KERR AREA RURAL TRANSIT SYSTEM FUNDS

One thousand five hundred dollars ($1,500) to the Kerr Area Rural Transit System for transportation services for senior citizens in the Kerr-Tar Regional Council Area of Region K.

S1516 SHELLEY SCHOOL FUNDS

Two thousand five hundred dollars ($2,500) to the Shelley School Child Development Center for services to retarded children.

S1517 WASHINGTON CHAMBER FUNDS

Three thousand dollars ($3,000) to the Greater Washington Chamber of Commerce, Inc., for tourism promotion and economic development.

S1518 VOLUNTEERS IN PARTNERSHIP FUNDS

One thousand dollars ($1,000) to the Board of Governors of The University of North Carolina for program support for the Volunteers in Partnership with Parents in Martin County, administered through East Carolina University School of Medicine, to provide services to retarded children and their families.

S1520 BEAUFORT EMERGENCY SERVICES FUNDS

Three thousand seven hundred fifty dollars ($3,750) to Beaufort County for the purchase of equipment and capital expenses for emergency reaction and emergency preparedness.

S1524 RANKIN MUSEUM FUNDS

Nine thousand dollars ($9,000) to The Rankin Museum, Inc., to expand museum artifacts at the Rankin Museum of American Heritage at Ellerbe.

S1525 BEAVER DAM COMMUNITY CENTER FUNDS

Five thousand dollars ($5,000) to Richmond County for expenses of the Beaver Dam Community Center.

S1526 EAST HAMLET COMMUNITY FUNDS

Five thousand dollars ($5,000) to East Hamlet Community Concerned Citizens, Inc., for community organizations.

S1529 RICHMOND ARTS COUNCIL FUNDS

Three thousand dollars ($3,000) to Richmond County for program development of the Richmond County Arts Council.

S1531 LENOIR COUNTY LAW FUNDS

Five thousand dollars ($5,000) to Lenoir County for operating expenses of the Lenoir Law Enforcement Department.

S1532 TAYLORS BRIDGE FIRE FUNDS

Five thousand dollars ($5,000) to the Taylors Bridge Fire Department for operating expenses and equipment.

S1533 JACKSON INDUSTRIAL DEVELOPMENT FUNDS

Five thousand dollars ($5,000) to Jackson County for industrial development of the area.

S1537 PENDER HIGH SCHOOL FUNDS

One thousand dollars ($1,000) to the Pender County Board of Education for Pender High School to use for school projects, school activities, and band uniforms.

S1538 PENDER SHERIFF DEPARTMENT FUNDS

One thousand five hundred dollars ($1,500) to Pender County for the Sheriff's Department to assist in the cost of building a law enforcement center.

S1539 FOOD BANK FUNDS

Three thousand five hundred dollars ($3,500) to Food Bank of the Lower Cape Fear, in New Hanover County, to help with operating costs of its public service projects.

S1540 CAPE FEAR LITERACY COUNCIL FUNDS

One thousand five hundred dollars ($1,500) to Cape Fear Literacy Council for its projects and services offered to provide educational opportunities to citizens of the area and to help to eliminate illiteracy.

S1541 INDIVIDUAL DEVELOPMENT FUNDS

One thousand dollars ($1,000) to the Association for Individual Development for the Handicapped to continue its public service programs for autistic and mentally retarded children.

S1542 PATROL CAR RADIO FUNDS

Two thousand dollars ($2,000) to Pender County for the Sheriff's Department to provide radios for the patrol cars.

S1543 DOMESTIC VIOLENCE SHELTER FUNDS

One thousand seven hundred dollars ($1,700) to Domestic Violence Shelter and Services of the Cape Fear Area, Inc., for operating costs to enable it to continue to offer shelter and services to victims of domestic violence.

S1548 COLUMBUS SENIOR CITIZENS FUNDS

One thousand dollars ($1,000) to Columbus County for the Columbus County Senior Citizens Center.

S1550 COLUMBUS HISTORIC BUILDING FUNDS

Ten thousand dollars ($10,000) to Columbus County for renovation of the historic Sankey Robinson Office Building.

S1551 FAIR BLUFF DRAINAGE FUNDS

Ten thousand dollars ($10,000) to the Town of Fair Bluff for drainage improvements.

S1552 RANSOM ACTIVITY CENTER FUNDS

Two thousand dollars ($2,000) to Ransom Activity Center, Inc., for operating expenses for the community activity center.

S1553 WACCAMAW DEPOT MUSEUM FUNDS

One thousand dollars ($1,000) to Lake Waccamaw Depot Museum, Inc., for museum projects.

PART VII.----- CORRECTIONS TO 1985-87 APPROPRIATIONS FOR LOCAL PROJECTS

Requested by: Sen. Guy

----- 1985-87 FUNDS FOR ONSLOW WOMEN'S CENTER/CAPITAL EXPENSES

Sec. 7. Funds appropriated in Sections 394, 479, and 719 of Chapter 778 of the 1985 Session Laws and Section 8 of Chapter 1014

of the 1985 Session Laws (Regular 1986 Session) for the Onslow County Women's Center (Onslow County Women's Center, Inc.) may be used for operating and capital expenses in meeting the needs of women in Onslow County.

Requested by: Sen. Goldston

----- 1985-87 FUNDS FOR STOKES SHERIFF'S DEPARTMENT REALLOCATED

Sec. 8. (a) Section 1325 of Chapter 778 of the 1985 Session Laws, as rewritten by Section 13 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986), reads as rewritten:

"Sec. 1325. There is appropriated from the General Fund to Stokes County the sum of ten thousand dollars ($10,000) for fiscal year 1985-86 for a ~~microwave radio system~~ four-wheel drive vehicle for the Sheriff's Department, Fire Department, Emergency Department, and Maintenance Department of Stokes County. The funds appropriated by this section shall not revert at the end of the 1985-86 fiscal year, but shall remain available until June 30, ~~1987.~~ 1988."

(b) This section shall become effective June 30, 1987.

Requested by: Sens. Harrington, Basnight

-----1985-87 APPROPRIATION FOR HISTORIC HOPE

Sec. 9. (a) Paragraph S1021 of Section 8 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986) reads as rewritten:

"S1021 HISTORIC HOPE FUNDS

Fourteen thousand dollars ($14,000) to Historic Hope Foundation, Inc., ~~for expenses related to moving and re-erection of St. Francis Methodist Church in Lewiston, no longer an operating church, but a building on the National Register, to Historical Hope, where it can be preserved as the historic building it is and where it can be open to the public.~~ to design a plan, with professional assistance, for the reconstruction of the original kitchen at Hope Mansion which will be located on the original site at Hope Mansion and to secure additional original Hope property, adjacent to Hope Foundation's present 18 acres, on which to develop a nature trail and an exhibition of crops and agricultural methods of the late 18th and 19th centuries in rural North Carolina."

(b) Paragraph S1114 of Section 8 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986) reads as rewritten:

"S1114 HISTORIC HOPE FUNDS

Thirty thousand dollars ($30,000) to Historic Hope Foundation, Inc., ~~for expenses related to moving and re-erection of St. Francis~~

~~Methodist Church in Lewiston, no longer an operating church, to Historical Hope.~~ to move, preserve, and restore several outbuildings donated to Hope Foundation and to secure additional original Hope property so that the outbuildings can be placed adjacent to the King-Bazemore House."

Requested by: Representative Foster
-----WESTSIDE COMMUNITY FUND CLARIFICATION

Sec. 10. (a) Paragraph H1911 of Section 8 of Chapter 1014, Session Laws of 1985 reads as rewritten:
"H1911 WESTSIDE COMMUNITY FUNDS
Ten thousand dollars ($10,000) to Mecklenburg County for operating expenses of the ~~seven Westside Community Organizations~~ five Westside Community Organizations that provide community service for the residents of the ~~following~~ communities in the west side of Mecklenburg County: ~~Oakdale, Westside, Coulwood, Paw Creek, Forest Pawtucket, Moores Park, and Steele Creek~~ the Westside Community Association, the Steele Creek Athletic Association, the Oakdale Community Association, Moore's Park Community Center, Inc., and Coulwood Community Council, Ltd. The five named organizations shall receive out of the appropriation of ten thousand dollars ($10,000) the sum of two thousand dollars ($2,000) each."

(b) The purpose of this provision is not to alter the original appropriation to Mecklenburg County in any manner, but merely to provide clarification to that county concerning the number and names of the organizations to receive the appropriated funds and the apportionment of the funds to the individual organizations.

Requested by: Representative Bumgardner
-----HIGH SHOALS CITY PARKS FUNDS CLARIFIED

Sec. 11. Paragraph H1435 of Section 8 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986) reads as rewritten:
"H1435 HIGH SHOALS YOUTH CENTER FUNDS
Six thousand five hundred dollars ($6,500) to the City of High Shoals ~~to remodel and furnish a youth recreation center.~~ for the city recreation park improvements. The funds appropriated in this paragraph shall not revert but shall remain available until June 30, 1988."

Requested by: Representative Brewster Brown
-----CHOANOKE AREA FUNDS TRANSFERRED

Sec. 12. (a) Section 1290 of Chapter 778 of the 1985 Session Laws reads as rewritten:

"Sec. 1290. There is appropriated from the General Fund to the Choanoke Area Development Association the sum of three thousand dollars ($3,000) for fiscal year 1985-86 to ~~develop a mobile home park for low-income citizens.~~ repair and make improvements to the office building of the Choanoke Area Development Association, a nonprofit corporation that assists low income citizens through various programs and that encourages economic growth in Bertie, Hertford, Northampton, and Halifax counties. The funds appropriated by this section ~~shall not revert at the end of the 1985-86 fiscal year, but~~ shall remain available until June 30, 1988."

(b) Section 1297 of Chapter 778 of the 1985 Session Laws reads as rewritten:

"Sec. 1297. There is appropriated from the General Fund to the Choanoke Area Development Association, Incorporated, the sum of five thousand dollars ($5,000) for fiscal year 1985-86 ~~for a new water system for a mobile home park in Northampton County for low-income citizens."~~ to repair and make improvements to the office building of the Choanoke Area Development Association, a nonprofit corporation that assists low income citizens through various programs and that encourages economic growth in Bertie, Hertford, Northampton, and Halifax counties. The funds appropriated by this section shall remain available until June 30, 1988."

PART VIII.-----DEPARTMENT OF CORRECTION

Requested by: Sen. Plyler, Sen. Warren

-----SUBSTANCE ABUSE PROGRAM

Sec. 13. Section 111(c) of Chapter 738, Session Laws of 1987 reads as rewritten:

"(c) The Substance Abuse Program established by subsection (a) of this section shall be offered in a medium custody facility, or a portion of a medium custody facility that is self-contained, so that the residential and program space is separate from any other programs or inmate housing, and shall be operational by January 1, 1988, at such unit as the Secretary may designate.

~~An Assistant Secretary for Substance Abuse shall be employed and shall report directly to the Office of the Secretary of Correction. An Administrative Officer II and a Secretary IV shall be employed to assist the Assistant Secretary and work under his direction and management. The duties of the Assistant Secretary shall include the following:~~

~~(1) Administer and coordinate all substance abuse programs, grants, contracts, and related functions in the Department of Correction;~~

The Director, Mental Health and Psychological Programs, Division of Prisons, shall administer the Substance Abuse Program. A Secretary IV shall be employed to assist the Director and work under his direction and management. The duties of the director shall include but not be limited to the following:

(1) Administer and coordinate all substance abuse programs in the Department of Correction;

(2) Develop and maintain working relationships and agreements with agencies and organizations that will assist in developing and operating a Substance Abuse Program in the Department of Correction;

(3) Develop and coordinate the use of volunteers in the Substance Abuse Program;

(4) Develop and present training programs related to substance abuse for employees and others at all levels in the agency;

(5) Develop programs that provide effective treatment for inmates, probationers, and parolees with substance abuse problems;

(6) Maintain contact with key leaders in the substance abuse field and active supporters of the Correction Program;

(7) Supervise directly the directors of treatment units, specialized personnel, and programs that exist or may be developed in the Department of Correction; and

(8) Develop employee assistance programs for employees with substance abuse problems.

Ten additional program staff shall be employed. There shall be a Correctional Program Director II who is responsible to the ~~Assistant Secretary for Substance Abuse~~ Director, Mental Health and Psychological Programs. This employee shall be responsible for managing and implementing the inpatient treatment program. Also employed will be a Correctional Program Director I, two Correctional Program Supervisors, four Correctional Program Assistant II's, one Correctional Program Assistant I, and one Clerk-Stenographer IV.

The duties of the Program Director II shall include the following:

(1) Implement and manage the inpatient treatment program for inmates with substance abuse problems;

(2) Supervise personnel assigned to the inpatient treatment program;

(3) Assist in developing the treatment program for inmates with substance abuse problems;

(4) Recruit and develop staff for the inpatient program and other staff as required;

(5) Assist in developing linkage and follow-up of inmates between the inpatient program, related agencies, organizations, and other facilities of the Department of Correction;

(6) Be responsible for treatment plans and daily activities and schedules for all assigned inmates;

(7) Develop methods for involving families of inmates in the program to the extent deemed appropriate and useful; and

(8) Other duties as required.

Preference shall be accorded to qualified recovering alcoholics and substance abusers in the employment of treatment counselors.

In the unit there shall be a unit superintendent under the Division of Prisons and other custodial, administrative, and support staff as required for a medium custody facility for approximately one hundred inmates. The unit superintendent shall be responsible for all matters pertaining to custody and administration of the unit. The Correctional Program Director II will administer the inpatient treatment program under the direction of the ~~Assistant Secretary for Substance Abuse.~~ Director, Mental Health and Psychological Programs.

Extensive use may be made of inmates working in the role of ancillary staff, peer counselors, role models, or group leaders as the program manager determines. Additional resource people who may be required for specialized treatment activities, presentations, or group work may be employed on a fee or contractual basis.

The Program in each unit shall be structured such that approximately 25 offenders will enter the Program on a weekly basis.

Admission priorities shall be established as follows:

(1) Court recommendation.

(2) Evaluation and referral from reception and diagnostic centers.

(3) General staff referral.

(4) Self-referral.

The Program shall include extensive follow-up after the period of intensive treatment. There will be specific plans for each departing inmate for follow-up, including active involvement with Alcoholics Anonymous, community resources, and personal sponsorship."

Requested by: Rep. Anderson

-----T.A.L.O. PILOT PROGRAM

Sec. 14. (a) Of the funds appropriated to the Department of Correction in Section 2 of Chapter 738 of the 1987 Session Laws, the sum of eighty thousand five hundred dollars ($80,500) shall be used by the Department of Correction to contract with Transition Assistance For Long Time Offenders, Incorporated, (T.A.L.O.) to set up a pilot program to assist longtime offenders leaving prison in readjusting to life outside of prison by offering services and assistance which include employment and job training services, assistance with transportation,

clothing, and housing needs, financial assistance, counseling, referral services, and other assistance or services that may help an individual during the transitional period to reestablish himself as a productive member of society. Of the sum of eighty thousand five hundred dollars ($80,500) no more than twelve thousand four hundred seventy-five dollars ($12,475) shall be allocated by the Department of Correction to be paid to T.A.L.O. in advance to cover the initial administrative costs of the pilot program. The remaining funds shall be paid in accordance with the terms of the contract. Any funds not used for the pilot program shall revert to the General Fund.

(b) Both the Department of Correction and T.A.L.O. shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division and shall submit a final report by April 1988 to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division and to the 1987 General Assembly. The reports shall track the progress of each individual participating in the program without breaching confidentiality and shall include statistics indicating the rate of recidivism of the program's participants and other information needed to measure the effectiveness and value of the program.

PART IX.-----JUDICIAL DEPARTMENT

Requested by: Rep. Bob Etheridge

-----COURT INFORMATION SYSTEM

Sec. 15. The Administrative Office of the Courts may use funds available to the Judicial Department for the 1987-89 fiscal biennium to continue the development and expansion of the court information system.

Requested by: Sen. Marvin, Rep. Holt

----- MECKLENBURG CUSTODY MEDIATION PROGRAM EXTENDED; GASTON PROGRAM AUTHORIZED

Sec. 16. (a) Subsection 162(a) of Chapter 761 of the 1983 Session Laws, as amended by subsection 18(a) of Chapter 698 of the 1985 Session Laws, Section 5 of Chapter 524, Session Laws of 1987, and Section 3 of Chapter 703, Session Laws of 1987 is further amended by deleting "August 23, 1987, or ratification of the Current Operations Appropriations Act of 1987, whichever comes later" and substituting "August 1, 1989".

(b) Effective from ratification of this act through June 30, 1988, Subsection 162(b) of Chapter 761 of the 1983 Session Laws is rewritten to read:

"(b) This section applies to Mecklenburg and to Gaston Counties only, each of which may establish a pilot program."

(c) Effective from ratification of this act through June 30, 1988, Subsection 162(d) of Chapter 761 of the 1983 Session Laws is rewritten to read:

"(d) This section shall be effective in Mecklenburg County only when both parents are residents of Mecklenburg County and in Gaston County only when both parents are residents of Gaston County."

(d) The Administrative Office of the Courts shall recommend to the 1989 General Assembly a statewide custody mediation program, or it shall recommend that the pilot programs be allowed to expire.

Requested by: Rep. Hunter

----- CLARIFY APPLICABILITY OF INCREASED PROBATION/PAROLE FEE

Sec. 17. Sec. 4 of Chapter 579 of the 1987 Session Laws is rewritten to read:

"Sec. 4. This act shall become effective September 1, 1987, and shall apply to all persons on supervised probation or parole prior to that date and to all persons placed on supervised probation or parole on or after that date."

PART X.-----DEPARTMENT OF JUSTICE

Requested by: Sen. Plyler

-----FUEL MARKETING ACT IMPLEMENTATION

Sec. 18. Of the funds appropriated in Section 2 of Chapter 738 of the 1987 Session Laws to the Department of Justice for equipment for the State Bureau of Investigation laboratory, the sum of sixty-six thousand six hundred twenty-six dollars ($66,626) for the 1987-88 fiscal year and the sum of seventy-nine thousand two hundred eight dollars ($79,208) for the 1988-89 fiscal year shall be used to implement the Fuel Marketing Act.

Requested by: Rep. Watkins

-----JORDAN LAKE AND KERR LAKE LAW ENFORCEMENT

Sec. 19. Of the funds appropriated to the Department of Justice in Section 2 of this act, the sum of twenty-five thousand dollars ($25,000) shall be used by Chatham County during fiscal year 1987-88 and the sum of twenty-five thousand dollars ($25,000) shall be used by Vance County during fiscal year 1987-88 for law enforcement at the public access and camping areas during peak use times at Jordan Lake and Kerr Lake. Chatham and Vance Counties shall

report, before December 1, 1987 on expenditures of these funds to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

PART XI.-----DEPARTMENT OF HUMAN RESOURCES

Requested by: Sen. Walker, Rep. Locks
----- INFLATIONARY INCREASES IN STATE AID TO LOCAL AGENCIES

Sec. 20. As required by G.S. 143-10.1, funds are included in Section 2 of this act for inflationary increases in certain local programs including a five percent (5%) salary increase in the 1987-88 fiscal year, which increase will be carried forward into the 1988-89 fiscal year, computed on the State share paid by the State of North Carolina, where the State is presently providing aid. These funds shall be certified to the respective State agencies as detailed in the State Budget, and they shall be distributed to the local agencies/programs using the same allocation methods by which the present aid is distributed.

Requested by: Sen. Walker, Rep. Locks.
-----TRANSFERS OF CERTAIN FUNDS AUTHORIZED

Sec. 21. In order to assure maximum utilization of funds in county departments of social services, county or district health agencies, and area mental health, mental retardation and substance abuse authorities, the Director of the Budget is authorized to transfer excess funds appropriated to a specific service or program/fund (whether specified in a block grant plan or General Fund appropriation) into another service or program/fund for local services within the budget of the respective State agency.

The Office of State Budget shall report to the Chairmen of the House and Senate Appropriations Base Budget Committees and the Appropriations Expansion Budget Committees and to the Chairmen of the Department of Human Resources Appropriations Subcommittees on each transfer authorized by this section.

Requested by: Sen. Walker, Rep. Locks
----- COMMUNITY WORK EXPERIENCE PROGRAM TRAINING FUNDS

Sec. 22. Funds appropriated for training of participants in the Community Work Experience Program may be used to match federal funds available for training AFDC participants from sources other than the Community Work Experience Program.

Requested by: Rep. Nye, Sen. Walker
-----EMPLOYMENT PROGRAMS RESERVE

Sec. 23. (a) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Social Services, the sum of one hundred thirty-eight thousand three hundred seventy-one dollars ($138,371) for the 1987-88 fiscal year and the sum of one hundred thirty-eight thousand three hundred seventy-one dollars ($138,371) for the 1988-89 fiscal year shall be used to support the implementation of the Community Work Experience Program in Transylvania, Halifax, and Pasquotank Counties.

(b) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Social Services, the sum of one hundred seventy-three thousand four hundred thirty dollars ($173,430) for the 1987-88 fiscal year and the sum of one hundred seventy-three thousand four hundred thirty dollars ($173,430) for the 1988-89 fiscal year shall be used to establish a reserve in the Division of Social Services for employment programs in Alamance, Edgecombe, Forsyth, Mecklenburg, and Union Counties. Funds from this reserve may be used only to offset federal budget reductions in the event that federal WIN funds are reduced or terminated during the 1987-89 fiscal biennium. Unexpended funds remaining in this reserve at the end of the 1987-88 fiscal year or the 1988-89 fiscal year shall revert to the General Fund.

Requested by: Sen. Rand
-----ELIGIBILITY WORKER FUNDS

Sec. 24. Of the funds appropriated in Section 2 of this act to the Division of Social Services, Department of Human Resources, the sum of one million five hundred thousand dollars ($1,500,000) for the 1987-88 fiscal year and the sum of one million five hundred thousand dollars ($1,500,000) for the 1988-89 fiscal year shall be used by county departments of social services for additional eligibility workers needed to support the expansion of public assistance programs. The Department of Human Resources shall ensure that county departments of social services receiving these funds do not reduce county funds for eligibility workers.

Requested by: Reps. Colton, Nesbitt, Sen. Hipps
-----GRANT-IN-AID TO CARING FOR CHILDREN, INC.

Sec. 25. Of the funds appropriated to the Department of Human Resources, Division of Social Services, in Section 2 of this act, the sum of one hundred sixty-three thousand forty-four dollars ($163,044) for the 1987-88 fiscal year and the sum of one hundred sixty-three thousand forty-four dollars ($163,044) for the 1988-89 fiscal year

shall be distributed to Caring for Children, Inc., as a grant-in-aid to support specialized foster care services to children from across the State.

Requested by: Rep. Locks
-----PROJECT SELF SUFFICIENCY/NEW DIRECTIONS

Sec. 26. The Department of Human Resources, Division of Social Services, shall use funds available for the 1987-89 fiscal biennium to provide the sum of forty thousand dollars ($40,000) for the 1987-88 fiscal year and the sum of forty thousand dollars ($40,000) for the 1988-89 fiscal year to the Raleigh Housing Authority to support Project Self Sufficiency/New Directions.

Requested by: Rep. Watkins
-----CATHOLIC SOCIAL MINISTRIES GRANT IN AID

Sec. 27. Of the funds appropriated to the Department of Human Resources in Section 2 of this act, the sum of thirty-five thousand nine hundred ninety-six dollars ($35,996) for the 1987-88 fiscal year shall be used to include Catholic Social Ministries in the private child caring institutions receiving State grants-in-aid. These funds shall be allocated by the Department of Human Resources to Catholic Social Ministries, according to rules adopted by the Department for the payment of grants-in-aid to private child caring institutions.

Any future request for a grant in aid to Catholic Social Ministries shall be submitted along with the requests of the other eligible private child caring institutions according to the provisions of G.S. 143B-139.2.

Requested by: Sen. Walker, Rep. Nye
-----HEALTH PROMOTION FUNDS

Sec. 28. (a) Of the seven hundred fifty thousand dollars ($750,000) appropriated from the General Fund to the Department of Human Resources, Division of Health Services, for the 1987-88 fiscal year and of the seven hundred fifty thousand dollars ($750,000) for the 1988-89 fiscal year for risk reduction projects, the sum of six hundred seventy-five thousand dollars ($675,000) each year shall be divided in equal amounts among the 55 local health departments that do not have existing risk reduction projects funded by allocations pursuant to Section 95(a) of Chapter 738 of the 1987 Session Laws.

(b) The Division of Health Services shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office by March 15, 1988, on the use of the funds allocated by this section.

Requested by: Sen. Plyler
----- MORVEN AREA MEDICAL CENTER FUNDS REALLOCATED

Sec. 29. The Morven Area Medical Center shall return to the State the funds allocated to it from the Social Services Block Grant for fiscal year 1986-87 under Section 7 of Chapter 1014, Session Laws of 1985. Such funds that are received by the State under this section are reappropriated to the Anson County Board of Education for an Adolescent Pregnancy Prevention Program.

Requested by: Reps. Barnhill, Locks
-----FUNDS TO TREAT SICKLE CELL ANEMIA

Sec. 30. Of the funds appropriated to the Department of Human Resources, Division of Health Services, in Section 2 of this act, the sum of two hundred thousand dollars ($200,000) for the 1987-88 fiscal year and the sum of two hundred thousand dollars ($200,000) for the 1988-89 fiscal year shall be used to provide funding to the community-based sickle cell centers, for the treatment and counseling of individuals suffering from sickle cell anemia.

Requested by: Sen. Walker
-----ADULT CYSTIC FIBROSIS FUNDS

Sec. 31. Of the funds appropriated to the Department of Human Resources, Division of Health Services in Section 2 of this act, the sum of thirty thousand dollars ($30,000) for the 1987-88 fiscal year and the sum of thirty thousand dollars ($30,000) for the 1988-89 fiscal year shall be used to continue provision of services to adults with cystic fibrosis who are eligible for services under current income eligibility levels.

Requested by: Rep. Holt
-----EPILEPSY FUNDS/INDIGENTS

Sec. 32. Of the funds appropriated to the Department of Human Resources, Division of Health Services, in Section 2 of this act, the sum of seventy-five thousand dollars ($75,000) for the 1987-88 fiscal year and the sum of seventy-five thousand dollars ($75,000) for the 1988-89 fiscal year shall be used as follows:

(1) To provide prescription anticonvulsant medications to indigent persons having epilepsy; and

(2) To provide prescription anticonvulsant medications on a limited emergency basis to persons who otherwise are managing their needs, but have befallen temporary misfortune which has depleted their resources.

Requested by: Rep. Holroyd
-----MODEL EDUCATION TRANSITION FUNDS

Sec. 33. Of the funds appropriated to the Department of Human Resources in Section 2 of this act, the sum of one hundred seventy-seven thousand seven hundred ten dollars ($177,710) for the 1987-88 fiscal year shall be used to fund the Wake Collaborative Educational Transition Pilot Program. The funds appropriated by this section shall be distributed to the following public entities:

Wake County Public School System	$ 75,980
Wake County Vocational Rehabilitation Services	$ 26,050
Wake Area Mental Health	$ 75,680
Total Appropriations	$177,710

Requested by: Rep. Nye
-----HOSPICE CARE FUNDS

Sec. 34. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Health Services, the sum of twenty thousand dollars ($20,000) for fiscal year 1987-88 shall be used for hospice care services by the following:

Hospice of Haywood County, Inc.	$10,000
Dare Hospice, Inc.	5,000
Hospice of Harnett County, Inc.	5,000

Requested by: Rep. Nye
-----PIONEER PILOT

Sec. 35. Of the funds appropriated to the Department of Human Resources by Section 2 of this act, the sum of four hundred forty-three thousand three hundred eighty- three thousand dollars ($443,383) for the 1987-88 fiscal year and the sum of three hundred twenty-three thousand dollars ($323,000) for the 1988-89 fiscal year are allocated to cover pioneer site administrative costs in implementing Section 87 of Chapter 738 of the 1987 Session Laws, including personnel and information systems. The five pioneer sites shall be: the Blue Ridge Center for Mental Health, Mental Retardation, and Substance Abuse Program, the Halifax County Mental Health Center, the Roanoke-Chowan Human Services Center, the Guilford County Area Mental Health, Mental Retardation, and Substance Abuse Program, and the Sandhills Center for Mental Health, Mental Retardation, and Substance Abuse Services. If any one of these sites cannot complete the pioneer test, the mental Health Study Commission shall make recommendations to the Secretary of Human Resources for a replacement site.

Requested by: Rep. Nye
-----LAST CHANCE FOR CHILDREN FUNDS

Sec. 36. Of the funds appropriated in Section 2 of this act, one hundred seventy-five thousand dollars ($175,000) for the 1987-88 fiscal year is allocated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services to be used by the Smoky Mountain Area Mental Health, Mental Retardation, and Substance Abuse Authority for capital costs associated with the development of the Last Chance for Children Residential Treatment Program for children from Region A with serious emotional or behavioral problems.

Titles to real property acquired and to facilities constructed to implement this section shall be vested in Jackson County and shall be leased at a nominal fee to Smoky Mountain Area Mental Health, Mental Retardation, and Substance Abuse Authority.

Requested by: Rep. Nye, Sen. Walker
-----WESTERN DRUG DEPENDENCY CENTER

Sec. 37. Of the funds appropriated by Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of three hundred thousand dollars ($300,000) for the 1987-88 fiscal year and four hundred seventy-five thousand dollars ($475,000) for the 1988-89 fiscal year shall be used by the Blue Ridge Center for Mental Health, Mental Retardation, and Substance Abuse Services to contract with Open House Inc., of Charlotte, for the development of a residential drug dependency center at Black Mountain Center to serve the Western Health Services Area, which is comprised of 26 counties. The facility developed with these funds is exempt from any certificate of need requirement, and may contract with the Black Mountain Center for food, utilities, and other necessities.

Requested by: Sen. Marvin
-----MENTAL HEALTH FUNDS

Sec. 38. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of eight hundred sixty-seven thousand one hundred fifty-three dollars ($867,153) for fiscal year 1987-88, and the sum of one million five hundred thirty-two thousand four hundred eighty-five dollars ($1,532,485) for fiscal year 1988-89, shall be used to provide start-up and operating costs for group homes, intermediate care facilities for the mentally retarded, and apartment living programs. Programs eligible for these funds include those programs approved in the 1986 Section 202 allocations

by the U. S. Department of Housing and Urban Development.

Requested by: Sen. Walker, Rep. Nye
-----CHILD MENTAL HEALTH PLAN DEVELOPMENT

Sec. 39. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, the sum of one million dollars ($1,000,000) for the 1987-88 fiscal year and the sum of one million dollars ($1,000,000) for the 1988-89 fiscal year shall be expended to begin development of services in accordance with the Child Mental Health Plan as presented in the February 1987 Report of the Mental Health Study Commission to the 1987 General Assembly. This plan shall serve as policy guidance for the development of services.

Requested by: Sen. Walker, Reps. Nye, Locks
-----EMOTIONALLY DISTURBED CHILDREN'S GROUP HOMES

Sec. 40. (a) The funds in line item 14460-1270-6329 are transferred to line item 14460-1270-6304. These funds shall be used to provide training in caring for emotionally disturbed children to the following groups homes, which shall choose whether this training shall be provided by area mental health, mental retardation, and substance abuse program contract with the Bringing It All Back Home Training Program or with other providers of training:

Haven House (3 homes), in Wake County;
Phoenix Home (2 homes), in Burke County;
Youth House, in Rutherford County;
Agape House, in McDowell County;
Wilkes Boys' Town, in Wilkes County;
Reflection Home, in Wilkes County;
Copper Kettle, in Ashe County;
Landship House, in Watauga County;
Corner House, in Catawba County;
Pioneer House (2 homes), in Caldwell County;
Counter-Point, in Buncombe County; and
Safe Landing, Cumberland County.

(b) The Division of Mental Health, Mental Retardation, and Substance Abuse Services shall monitor the training contracts awarded with these funds to determine the type of training services provided, the cost of the services provided by type of service, and the quality of the services provided.

Requested by: Sen. Walker
-----SUBSTANCE ABUSE FUNDS

Sec. 41. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for youth substance abuse services, the sum of one million dollars ($1,000,000) for the 1987-88 fiscal year and the sum of one million dollars ($1,000,000) for the 1988-89 fiscal year shall be allocated to the Department of Human Resources' regions on a per capita basis. The allocation of funds by each region to the area mental health, mental retardation, and substance abuse authorities within the region shall be determined by the Division through its regional management teams. These funds shall be used for special direct service projects for intervention and treatment of substance-abusing youths.

Requested by: Reps. Nye, Locks
-----CHRONICALLY MENTALLY ILL

Sec. 42. Funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for the chronically mentally ill shall be allocated to the area mental health, mental retardation, and substance abuse authorities on a per capita basis, except for those funds transferred by Section 108(c) of Chapter 1014 of the 1985 Session Laws. If those funds transferred by Section 108(c) of Chapter 1014 of the 1985 Session Laws are used to contract for services, up to five percent (5%) of the funds may be retained to cover costs for administrative and clinical supervision of the contract by the authority responsible for monitoring the contract.

Requested by: Reps. Locks, Nye
-----EASTERN REGIONAL DETOXIFICATION FUNDS

Sec. 43. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of one million five hundred sixty-two thousand seven hundred seventeen dollars ($1,562,717) for the 1987-88 fiscal year and the sum of one million five hundred sixty-two thousand seven hundred seventeen dollars ($1,562,717) for the 1988-89 fiscal year are to be used for detoxification services in the Division's eastern region. These funds shall be allocated to the following area mental health, mental retardation, and substance abuse programs:

Mental Health, Mental Retardation, and Substance Abuse Authority	Fiscal Year 1987-88	Fiscal Year 1988-89
Albemarle	$ 101,780	$ 101,780
Duplin-Sampson	111,175	111,175
Edgecombe-Nash	153,453	153,453
Halifax	68,897	68,897
Lenoir	73,595	73,595
Neuse	169,112	169,112
Onslow	139,361	139,361
Pitt	114,307	114,307
Roanoke-Chowan	93,951	93,951
Southeastern	206,692	206,692
Tideland	114,307	114,307
Wayne	119,004	119,004
Wilson-Greene	97,083	97,083

Requested by: Sen. Walker, Reps. Locks, Nye

----- AREA MENTAL HEALTH/SUBSTANCE ABUSE IN-PATIENT FUNDS

Sec. 44. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of eight hundred fifty thousand dollars ($850,000) for the 1987-88 fiscal year and the sum of eight hundred fifty thousand dollars ($850,000) for the 1988-89 fiscal year shall be used for capital or operating expenses to provide additional local in-patient or alternatives to in-patient mental health or substance abuse services. These funds shall be distributed in the following amounts for each fiscal year: Wake Mental Health, Mental Retardation, and Substance Abuse Authority, two hundred fifty thousand dollars ($250,000); Blue Ridge Mental Health, Mental Retardation, and Substance Abuse Authority, one hundred fifty thousand dollars ($150,000); Surry-Yadkin Mental Health, Mental Retardation, and Substance Abuse Authority, one hundred thousand dollars ($100,000); and Randolph County Area Mental Health, Mental Retardation, and Substance Abuse Authority, three hundred fifty thousand dollars ($350,000).

Requested by: Sen. Marvin

-----GROUP HOME PROGRAM FUNDS

Sec. 45. Of the funds appropriated to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, in Section 2 of this act, the sum of three hundred ninety-seven thousand four hundred dollars ($397,400)

for the 1987-88 fiscal year and the sum of five hundred eighty-four thousand four hundred fifty-five dollars ($584,455) for the 1988-89 fiscal year shall be used for start-up and operational costs in group homes and apartment living programs in Tideland, Catawba, Cleveland, Neuse, Gaston-Lincoln, Guilford, Mecklenburg, and Edgecombe-Nash.

Requested by: Sen. Royall
-----AUTISTIC ADULTS AND CHILDREN FUNDS

Sec. 46. Of the funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, in Section 2 of this act, the sum of eighty-four thousand dollars ($84,000) for the 1987-88 fiscal year shall be allocated to the North Carolina Society for Autistic Adults and Children to be used as follows:

(1) The sum of sixty thousand dollars ($60,000) for operating expenses for the Autistic Children's summer camp program; and

(2) The sum of twenty-four thousand dollars ($24,000) to provide a special adult/autism Job Coach for the Society for Autistic Adults and Children.

Requested by: Sen. Harris and Rep. Locks
-----DEVELOPMENTAL DISABILITIES SERVICES

Sec. 47. (a) G.S. 122C-3 is amended by adding a new subdivision to read:

"(12a) 'Developmental disability' means a severe, chronic disability of a person which:

a. is attributable to a mental or physical impairment or combination of mental and physical impairments;

b. is manifested before the person attains age twenty-two, unless the disability is caused by a traumatic head injury and is manifested after age 22;

c. is likely to continue indefinitely;

d. results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language, capacity for independent living, learning, mobility, self-direction and economic self-sufficiency; and

e. reflects the person's need for a combination and sequence of special interdisciplinary, or generic care, treatment, or other services which are of a lifelong or extended duration and are individually planned and coordinated."

(b) G.S. 122C-3(14) is amended by adding the following at the end:

"For the purposes of Articles 2 and 3 of this Chapter only, excluding G.S. 122C-63, 'facility' also means any person at one location, whose primary purpose is to provide services for the care, treatment, habilitation, or rehabilitation for individuals with developmental disabilities, developed under the authority of this Chapter."

(c) G.S. 122C-112(a)(10) is amended by adding immediately after the words "mental retardation," the words "developmental disabilities,".

(d) G.S. 122C-117(a)(1) is amended by adding immediately after the words "mental retardation," the words "developmental disability,".

(e) Chapter 122C of the General Statutes is amended by adding a new section to read:

"§ *122C-123. Other agency responsibility.*--Notwithstanding the provisions of G.S. 122C-112(a)(10) and G.S. 122C-117(a)(1), other agencies of the Department, other State agencies, and other local agencies shall continue responsibility for services they provide for persons with developmental disabilities."

(f) Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services for fiscal year 1987-88 the sum of one million dollars ($1,000,000) and for fiscal year 1988-89 the sum of two million dollars ($2,000,000) shall be used for the purpose of beginning the development of services for persons with developmental disabilities in accordance with the recommendations of the Mental Health Study Commission contained in its final report to the 1987 General Assembly. Services which may be developed include, but are not limited to, case management, service development, administrative specialists, respite care, in-home support, residential services, supported employment, and staff training.

(g) Funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, for specific services for the mentally retarded may also be used for delivery of services to persons with other developmental disabilities or head trauma when the service is appropriate to the individual's needs.

(h) Subsections (a) through (e) of this section shall become effective October 1, 1987.

Requested by: Sen. Rand

-----LIFEGUARDIANSHIP COUNCIL FUNDS

Sec. 48. Of the funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and

Substance Abuse Services in Section 2 of this act, the sum of eighty-nine thousand dollars ($89,000) for the 1987-88 fiscal year shall be used to provide additional operating revenue for the Lifeguardianship Council of the Association of Retarded Citizens of North Carolina.

Requested by: Reps. Ethridge, Tyndall, Senator Guy

----- SANDCASTLE HOME & HOLY ANGELS TREATMENT PROGRAM

Sec. 49. Of the funds appropriated to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, in Section 2 of this act, the sum of one hundred thirty-seven thousand eight hundred dollars ($137,800) for the 1987-88 fiscal year and the sum of one hundred thirty-seven thousand eight hundred dollars ($137,800) for the 1988-89 fiscal year shall be allocated as follows:

(1) Sixty thousand dollars ($60,000) for the 1987-88 fiscal year and sixty thousand dollars ($60,000) for the 1988-89 fiscal year, for operating expense at Sandcastle Children's Home; and

(2) Seventy-seven thousand eight hundred dollars ($77,800) for the 1987-88 fiscal year and seventy-seven thousand eight hundred dollars ($77,800) for the 1988-89 fiscal year, to Holy Angels Community Residential Treatment Program, to develop a five-bed group home.

Requested by: Rep. Bob Etheridge

-----LEE-HARNETT PSYCHIATRIC SERVICES

Sec. 50. Of the funds appropriated in Section 2 of this act to the Division of Mental Health, Mental Retardation, and Substance Abuse Services, Department of Human Resources, the sum of three hundred fifty-one thousand dollars ($351,000) for the 1987-88 fiscal year and the sum of four hundred ninety-nine thousand three hundred fifty-eight dollars ($499,358) for the 1988-89 fiscal year shall be used by the Lee-Harnett Area Mental Health, Mental Retardation, and Substance Abuse Authority, to enable the Authority to contract with Good Hope Hospital to provide regional adolescent in-patient psychiatric services.

Requested by: Rep. Nesbitt

-----DEV. DISABLED/HEARING IMPAIRED FUNDS

Sec. 51. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of one hundred fifty-four thousand seven hundred eighty-two dollars ($154,782) for

the 1987-88 fiscal year and the sum of eighty-six thousand nine hundred eighty-eight dollars ($86,988) for the 1988-89 fiscal year, shall be used by the Blue Ridge Center for Mental Health, Mental Retardation, and Substance Abuse Services for the establishment of a group home for the developmentally disabled hearing impaired.

Requested by: Rep. Locks
-----SOUTHEASTERN MENTAL HEALTH CARE

Sec. 52. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of two hundred thousand dollars ($200,000) for the 1987-88 fiscal year shall be allocated to the Southeastern Regional Mental Health Center to be used as follows:

(1) One hundred thousand dollars ($100,000) for Indigent Mental Health Care; and

(2) One hundred thousand dollars ($100,000) for substance abuse programs.

Requested by: Rep. Nesbitt
-----HOUSING FOR MENTALLY ILL FUNDS

Sec. 53. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services the sum of thirty thousand dollars ($30,000) for the 1987-88 fiscal year and the sum of thirty thousand dollars ($30,000) for the 1988-89 fiscal year, shall be used by the Blue Ridge Center for Mental Health, Mental Retardation, and Substance Abuse Services for the operation of the Nantahala Apartments Community Alternative Living Program.

Requested by: Rep. Nye
-----ADAP REIMBURSEMENT RATE INCREASE

Sec. 53. Of the funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services in Section 2 of this act, the sum of seven hundred thousand dollars ($700,000) for the 1987-88 fiscal year and the sum of seven hundred thousand dollars ($700,000) for the 1988-89 fiscal year shall be used to increase the ADAP reimbursement rate from two hundred twenty-nine dollars ($229.00) per client per month to two hundred forty dollars ($240.00) per client per month.

Requested by: Rep. Nye, Sen. Walker
----- REIMBURSEMENT RATE/COMMUNITY RESIDENTIAL CENTERS

Sec. 55. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of one million dollars ($1,000,000) for the 1987-88 fiscal year and the sum of one million dollars ($1,000,000) for the 1988-89 fiscal year shall be used to increase the reimbursement rate for community residential centers from one thousand three hundred forty-eight dollars ($1,348) per client per month to one thousand five hundred seventy dollars ($1,570) per client per month, and to increase the reimbursement rate for developmental day care from three hundred fifty-three dollars ($353.00) per month per client to four hundred five dollars ($405.00) per month per client.

Requested by: Sen. Royall
-----MENTAL HEALTH AUTHORITY ALLOCATION

Sec. 56. In allocating expansion dollars, the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services shall take into account inequities in service availabilities among area mental health, mental retardation, and substance abuse authorities, including those services supported by funds in this act designated for specific area authorities.

Requested by: Reps. Nye, Bob Etheridge
-----CERTAIN FEES REPORTING REQUIREMENTS

Sec. 57. The Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, shall prepare a report to be presented to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division, no less than 30 days prior to the convening of the 1987 General Assembly, Regular Session 1988, to include:

(1) The amount of revenues earned by Area Mental Health, Mental Retardation, and Substance Abuse Authorities from fees collected pursuant to G.S. 20-179.2;

(2) The amount of this revenue used to operate Alcohol Drug Education Traffic Schools; and

(3) The amount of this revenue used by the Authorities to fund all programs or activities other than Alcohol Drug Education Traffic Schools, by type of program or activity, and a description of the type of program or activity funded.

Requested by: Rep. Nye
-----MOUNTAIN YOUTH RESOURCES

Sec. 58. Of the funds appropriated to the Department of Human Resources, Division of Youth Services, for the Community Based

Alternatives Program, the sum of ten thousand dollars ($10,000) for the 1987-88 fiscal year and the sum of ten thousand dollars ($10,000) for the 1988-89 fiscal year shall be allocated to the Mountain Youth Resources, Inc., for operating expenses of the Hawthorne Heights Juvenile Shelter. This allocation shall be in addition to any other funds allocated to this program.

Requested by: Representative Locks
-----SENIOR CENTER FUNDS

Sec. 59. Of the funds appropriated to the Department of Human Resources, Secretary's Office, in Section 2 of this act, the sum of two hundred fifty thousand dollars ($250,000) for fiscal year 1987-88 shall be used to provide one-time grants for the construction, renovation, and equipping of Senior Citizens' Centers; provided, each center matches not less than twenty-five percent (25%) of the grant's value with local resources. These grants shall be limited to no more than thirty thousand dollars ($30,000) per center. Any funds not used for grants may be used for the operation of existing Senior Citizens' Centers.

Requested by: Sen. Hunt of Moore
-----SENIOR GAMES FUNDS

Sec. 60. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Secretary's Office, the sum of forty thousand dollars ($40,000) for fiscal year 1987-88 shall be used to provide a grant-in-aid to North Carolina Senior Games, Inc., to provide funds for the North Carolina Senior Games Program, which is designed to inspire, motivate, and educate all citizens about their potential for good health and involvement in physical activity throughout their lives, and to improve the quantity and quality of physical activity programs in the State by providing healthy, competitive, athletic experiences for older adults.

Requested by: Rep. Ed Warren
-----EAST CARE AMBULANCE FUNDS

Sec. 61. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Facility Services, the sum of three hundred fifty thousand dollars ($350,000) for fiscal year 1987-88 shall be a grant-in-aid to Pitt County Memorial Hospital, Incorporated, for the costs of operating East Care, an air ambulance service that provides emergency medical services to the eastern region of North Carolina.

Requested by: Rep. Nye
-----CASWELL COUNTY FAMILY MEDICAL CENTER

Sec. 62. Of the funds appropriated to the Department of Human Resources, Division of Facility Services in Section 2 of this act, the sum of forty-one thousand dollars ($41,000) for the 1987-88 fiscal year shall be used for equipment and for other needs of the Caswell County Family Medical Center.

Requested by: Rep. Wiser
-----RADIO READING SERVICES FUNDS

Sec. 63. Of the funds appropriated to the Department of Human Resources, Division of Services for the Blind, in Section 2 of this act, the sum of ten thousand dollars ($10,000) for the 1987-88 fiscal year shall be used as a grant-in-aid to the Radio Reading Services, Incorporated, a nonprofit organization that provides news for the blind, elderly and print-handicapped listeners, to be used for the development and expansion of services.

Requested by: Rep. Bob Etheridge
-----COMMUNICABLE DISEASE CONTROL STAFF

Sec. 64. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Health Services, for Acute Communicable Disease Control, the sum of one hundred fifty thousand dollars ($150,000) for the 1987-88 fiscal year and the sum of one hundred fifty thousand dollars ($150,000) for the 1988-89 fiscal year may be used to hire county staff to be engaged in the control of A.I.D.S. and other communicable and toxicologic hazards.

Requested by: Sen. Walker, Rep. Nye
-----INPATIENT CARE/YOUTH SUBSTANCE ABUSERS

Sec. 65. Of the funds appropriated in Section 2 of this act to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services, the sum of three hundred thousand dollars ($300,000) for the fiscal year 1987-88 shall be allocated equally among the four Department of Human Resources' regions and shall be used to purchase inpatient/residential care for youth substance abusers, and the sum of one million five hundred thousand dollars ($1,500,000) for the 1988-89 fiscal year shall be used to continue the purchase of inpatient/residential care for youth substance abusers and to continue youth substance abuse services initiated in 1987-88 with federal substance abuse block grant funds.

Requested by: Rep. Nye
-----ADAP PROGRAM FUNDS

Sec. 66. Of the funds appropriated to the Department of Human Resources, Division of Mental Health, Mental Retardation, and Substance Abuse Services in Section 2 of this act, the sum of three hundred thousand dollars ($300,000) for the 1987-88 fiscal year shall be allocated as provided below among the following Area Mental Health, Mental Retardation, and Substance Abuse Services Authorities for the development and operation of ADAP programs:

(1) One hundred thousand dollars ($100,000) for the Roanoke-Chowan Human Services Center as a grant in aid to the Roanoke-Chowan Sheltered Workshop for operating and production expenses;

(2) One hundred fifty thousand dollars ($150,000) for the Halifax County Mental Health Center for a new building in Halifax County to help the adult mentally retarded to be productive citizens; and

(3) Fifty thousand dollars ($50,000) for the Duplin-Sampson Area Mental Health, Mental Retardation, and Substance Abuse Services for a multi-purpose building.

Requested by: Sen. Walker
----- MOORE/SANDHILLS/ORANGE/DURHAM MENTAL HEALTH PROGRAMS

Sec. 67. (a) Effective January 1, 1988, provided the transfer set out in Senate Bill 1307 of the 1987 General Assembly is accomplished, the funds reverting under Section 8 of Senate Bill 1307, if enacted, are reappropriated to the Department of Human Resources for the purposes of this section, and the funds appropriated for fiscal year 1988-89 in Section 2 of Chapter 738 of the 1987 Session Laws to the Department of Human Resources for the operation of Lenox Baker Hospital, shall be used as follows:

(1) Twenty-five thousand dollars ($25,000) for the 1987-88 fiscal year to the Moore Children's Center for operational costs;

(2) One hundred twenty-eight thousand nine hundred sixty-one dollars ($128,961) for the 1988-89 fiscal year to the Sandhills Center for Mental Health, Mental Retardation, and Substance Abuse Services, to contract for psychiatric and detoxification services with Moore Regional Hospital;

(3) Three hundred eighty thousand four hundred ten dollars ($380,410) for the 1988-89 fiscal year to the Orange-Person-Chatham Mental Health, Mental Retardation, and Substance Abuse Authority, to contract for psychiatric

hospitalization services with the North Carolina Memorial Hospital;

(4) One hundred twenty-five thousand dollars ($125,000) for the 1987-88 fiscal year and two hundred fifty thousand dollars ($250,000) for the 1988-89 fiscal year to Durham County Mental Health, Mental Retardation, and Substance Abuse Area Programs, to contract for psychiatric hospitalization services with Durham County General Hospital;

(5) One hundred thousand dollars ($100,000) for the 1987-88 fiscal year to the Southeastern Regional Area Mental Health, Mental Retardation, and Substance Abuse Program, for development and operational expenses of an adult developmental day program to serve severely mentally retarded adults to be operated by Bladen Technical College in Bladen County; and

(6) Fifty thousand dollars ($50,000) for the 1987-88 fiscal year to the Neuse Area Mental Health, Mental Retardation, and Substance Abuse Program, for construction and operational expenses of the New Bern Child Development Center.

(b) If the reversion under Section 8 of Senate Bill 1307, if enacted, is not sufficient to fund the programs provided for by this section for the 1987-88 fiscal year, the allocations to these programs for the 1987-88 fiscal year are reduced pro rata.

PART XII.-----EMPLOYEES

Requested by: Rep. Watkins

-----OFFICE OF ADMINISTRATIVE HEARINGS PERSONNEL

Sec. 68. (a) Notwithstanding the provisions of G.S. 126-4(1) the number of administrative law judges and employees of the Office of Administrative Hearings, their classifications, and their grades shall be as established by the General Assembly.

An administrative law judge may be removed from office only by the Director of the Office of Administrative Hearings and only for just cause, as provided in G.S. 7A-754. Otherwise, administrative law judges and employees of the Office of Administrative Hearings shall be entitled to all of the benefits and subject to all of the restrictions of Chapter 126 of the General Statutes in the same manner as all other State employees subject to that Chapter.

The number of administrative law judges and employees in the Office of Administrative Hearings and their classifications and grades are established as follows:

Classification	Grade	Number
Administrative Law Judge	83	8
Deputy Director	80	1
Executive Legal Specialist	80	1
Assistant Director	77	1
Administrative Legal Specialist	77	1
Mediation Supervisor	76	1
Mediation Specialist	74	2
Internal Auditor II	74	1
Administrative Services Manager	73	1
Paralegal III	70	1
Administrative Officer II	70	1
Accounting Assistant III	67	1
Paralegal II	67	1
Publications Coordinator	67	1
Chief Hearings Clerk	67	1
Administrative Assistant III	67	1
Administrative Assistant II	65	1
Administrative Assistant I	63	1
Clerk/Typist V	61	4
Records Clerk V	61	1
Word Processor IV	59	3
Clerk IV	59	1
Clerk/Receptionist III	57	1

(b) A person appointed as an administrative law judge shall be placed in that step of Grade 83 on the appropriate salary schedule as is determined by statute and regulations applicable to State employees generally.

Any person who was appointed as a hearing officer in the Office of Administrative Hearings prior to the effective date of this act shall be entitled to all of the benefits accruing to State employees subject to the Personnel Act under any statute or rule and such entitlement shall be retroactive to the date of appointment, except that this paragraph shall not be construed to apply to the Director.

(c) The administrative law judges and the employees of the Office of Administrative Hearings, except for the Director, shall receive the salary increase provided in Section 30 of Chapter 738 of the 1987 Session Laws.

Requested by: Rep. Watkins

-----LEGISLATIVE SALARIES

Sec. 70. Effective upon the convening of the 1989 Regular Session of the General Assembly, the third sentence of G.S. 120-3(a), as amended by Chapter 738 of the 1987 Session Laws, is rewritten to

read: "The Speaker Pro Tempore of the House shall be paid an annual salary of sixteen thousand eight hundred thirty-six dollars ($16,836), payable monthly, and an expense allowance of four hundred ninety-four dollars ($494.00) per month; and the Deputy President Pro Tempore of the Senate shall be paid an annual salary of fifteen thousand three hundred eighty-four dollars ($15,384), payable monthly, and an expense allowance of three hundred fifty-four dollars ($354.00) per month."

PART XIII.-----AUDITOR'S OFFICE

Requested by: Sen. Thomas
-----AUDIT OF COMMUNITY COLLEGES

Sec. 71. The State Auditor, within funds available to his Department, shall audit the Community Colleges and Technical Institutes so that all 58 institutions are audited no less than once every 5 years.

PART XIV.----- OFFICE OF STATE BUDGET AND MANAGEMENT

Requested by: Sen. Plyler
----- PERMIT DEVIATIONS FROM CERTAIN PROVISIONS OF THE EXECUTIVE BUDGET ACT

Sec. 72. Sections 156 through 160 of Chapter 479 of the 1985 Session Laws do not apply to the extent that the Director of the Budget finds that compliance is impossible and that deviation is necessary because of complications in the budget process that were not contemplated when the budget for the 1987-89 fiscal biennium was enacted.

The Director of the Budget shall report on a monthly basis to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on any deviations from Sections 156 through 160 of Chapter 479 of the 1985 Session Laws and the reasons it was impossible to comply.

This section does not authorize deviations from Sections 156 through 160 of Chapter 479 of the 1985 Session Laws to combine fund codes.

Requested by: Sen. Royall
-----INDUSTRIAL DEVELOPMENT FUNDS

Sec. 73. If the Secretary of Commerce determines that part or all of the funds allocated by Section 57, Chapter 738, Session Laws of 1987 may not be needed for industrial development, he shall report

this to the Office of State Budget and Management and to the Joint Legislative Commission on Governmental Operations. After making such reports, if the Secretary of Commerce finds that such amount of funds is not needed for industrial development, he shall report that fact to the Office of State Budget and Management and such funds shall be transferred to the Repair and Renovation Reserve.

Requested by: Sen. Royall
-----SUPERCOMPUTER FUNDS

Sec. 74. (a) Of the funds appropriated to the Office of State Budget and Management in Section 5 of this act, the sum of twelve million dollars ($12,000,000) for the 1987-88 fiscal year and the sum of six million dollars ($6,000,000) for the 1988-89 fiscal year shall be used for a supercomputer that is needed both to keep North Carolina's universities in the forefront of scholarly research and training and to maintain the momentum of the State's science-based economic development, to be allocated as follows:

(1) For fiscal year 1987-88:
Eight million one hundred thousand dollars ($8,100,000) for capital equipment;
Nine hundred thousand dollars ($900,000) for operating expenses; and
Three million dollars ($3,000,000) for a building;

(2) For fiscal year 1988-89:
Three million eight hundred thousand dollars ($3,800,000) for capital equipment; and
Two million two hundred thousand dollars ($2,200,000) for operating expenses.

(b) Competitive performance and financial proposals will be required from prospective vendors. The North Carolina Computer Commission will approve the proposal criteria and recommend an award to that vendor, which in the opinion of the Commission, with concurrence from the board of directors of the non-profit corporation selected for project management (i.e.: MCNC, TUCASI, or any other), maximizes cost/performance for the supercomputer's intended applications.

PART XV.-----DEPARTMENT OF ADMINISTRATION

Requested by: Sen. Thomas, Rep. Murphy
-----POLLUTION PREVENTION PAYS PROGRAM TRANSFER

Sec. 75. The Pollution Prevention Pays Program is transferred from the Board of Science and Technology to the Department of Natural Resources and Community Development. The transfer has all

the elements of a Type I transfer as defined in G.S. 143A-6(a).

Requested by: Sen. Rand, Rep. Bob Etheridge

----- PRIVATE LICENSE TAGS ON STATE-OWNED CARS AUTHORIZED

Sec. 76. (a) Pursuant to the provisions of G.S. 14-250, for the 1987-89 fiscal biennium, the General Assembly authorizes the use of private license tags on State-owned motor vehicles only for the State Highway Patrol and for the following:

Department--Exemption Category	Number
Motor Vehicles--License and Theft	97
Justice--SBI Agents	277
Correction--	
Probation/Parole Surveillance Officers (intensive probation)	25

(b) Except as provided in this section, all State-owned motor vehicles shall bear permanent registration plates issued under G.S. 20-84.

Requested by: Rep. Hunter

-----DOMESTIC VIOLENCE FUNDS

Sec. 77. Funds appropriated in Section 2 of this act to the Department of Administration, Council on the Status of Women for the prevention of domestic violence in the amount of four hundred thirty-five thousand dollars ($435,000) for the 1987-88 fiscal year and four hundred thirty-five thousand dollars ($435,000) for the 1988-89 fiscal year shall be allocated as follows:

(1) Ten thousand dollars ($10,000) in fiscal year 1987-88 and ten thousand dollars ($10,000) in fiscal year 1988-89 shall be used for a grant-in-aid to the North Carolina Coalition Against Domestic Violence, Incorporated.

(2) Each of the 56 domestic violence centers in operation on August 1, 1987, that offered services including a hotline, transportation services, community education programs, daytime services, and call forwarding during the night shall receive a grant each year of the biennium to be used for the operation of the center. In counties in which only one center is eligible to receive a grant, the eligible center shall receive an annual grant of fifteen thousand dollars ($15,000). In counties in which more than one center is eligible to receive a grant, each eligible center shall receive an annual grant of a pro rata share of fifteen thousand dollars ($15,000).

Requested by: Rep. Watkins, Sen. Royall

-----PUBLIC BUILDING PROJECTS

Sec. 78. (a) Chapter 102, Session Laws of 1987, is amended by adding a new section to read:

"Sec. 3.1. State Capital Improvement Projects under the jurisdiction of the State Building Commission where the estimated expenditure of public money is less than fifty thousand dollars ($50,000) are exempt from the provisions of this act."

(b) This section is effective upon ratification.

Sec. 79. (a) The third sentence of G.S. 143-135.26, as enacted by Chapter 71, Session Laws of 1987, and as rewritten by Chapter 721, Session Laws of 1987, is further rewritten to read: "When the General Assembly is the funded agency, the Legislative Services Commission is responsible and accountable for the final selection of the designer, and when the University is the funded agency, it shall be subject to the rules adopted hereunder, except it is responsible and accountable for the final selection of the designer."

(b) This section is effective upon ratification.

PART XVI.-----DEPARTMENT OF CULTURAL RESOURCES

Requested by: Sen. Royall

-----LIBRARY CONSTRUCTION GRANTS

Sec. 80. (a) Of the funds appropriated to the Department of Cultural Resources in section 4 of this act, the sum of one million two hundred fifty thousand dollars ($1,250,000) for the 1987-88 fiscal year and the sum of one million two hundred fifty thousand dollars ($1,250,000) for the 1988-89 fiscal year shall be used for the construction of public libraries.

(b) A maximum of one construction grant per public library system may be awarded each year. Each construction grant shall be for no more than ten percent (10%) of the funds allocated by this section each year.

(c) All construction grants to public libraries shall be contingent on a local dollar-for-dollar match.

Requested by: Representative Hunter

-----HISTORIC PRESERVATION REVOLVING FUND

Sec. 81. Of the funds appropriated to the Department of Cultural Resources in Section 2 of this act, the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year and the sum of one hundred thousand dollars ($100,000) for the 1988-89 fiscal year shall be allocated to the North Carolina Historic Preservation Foundation, Incorporated, to expand North Carolina's statewide revolving fund for historic preservation, provided a like amount is raised by the Historic Preservation Foundation after the effective date of this section to match

this allocation on a dollar-for-dollar basis. Funds allocated in this section shall be expended only in accordance with the criteria and rules applicable to the operation of statewide revolving funds established by the North Carolina Historical Commission and the Department of Cultural Resources.

The Historic Preservation Foundation, Incorporated, shall provide to the Chairmen of the House and Senate Appropriations Committees on the Base and Expansion Budget, the Chairmen of the Joint Appropriations Subcommittees on General Government, and the Fiscal Research Division by May 1, 1988, a report on the revolving fund for historic preservation for the period 1977 through 1987 and a copy of its criteria, rules, and regulations. The report shall contain a current financial statement, a current listing of property assets including location and value, and, for the ten-year period, the amounts raised and sources to match the State grants and a detailed listing of disbursements and receipts relating to property purchases and sales, and loans and/or grants, including recipients and purposes.

Requested by: Sen. Thomas, Rep. Murphy

-----NORTH CAROLINA SYMPHONY/GRANT-IN-AID FUNDS

Sec. 82. As a condition of accepting State grant-in-aid funds for 1987-88 and 1988-89 fiscal years, the North Carolina Symphony shall operate within a balanced budget.

Requested by: Rep. Hunter

-----SYMPHONY EXPANSION FUNDS

Sec. 83. Of the funds appropriated to the Department of Cultural Resources, North Carolina Symphony Society, Inc., in Section 2 of this act the sum of one hundred fifty thousand dollars ($150,000) for the 1987-88 fiscal year and the sum of one hundred fifty thousand dollars ($150,000) for the 1988-89 fiscal year shall be used each year on a rotating challenge basis to develop two weeks of school education and evening concerts in:

(1) the thirty-three counties of the State that are most rural and have the lowest per capita income; and

(2) in the counties that are not regularly visited by the North Carolina Symphony

so that over a four-year cycle, these counties will have the services of the North Carolina Symphony that they could not otherwise afford as do the other areas of the State each year.

The North Carolina Symphony Society, Inc., shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by May 1 of 1988 and 1989 on the use of funds under this section. The report shall include information on the

location, attendance and costs of the concerts.

PART XVII.-----DEPARTMENT OF REVENUE

Requested by: Sen. Rauch, Rep. Jim Crawford
-----SALES-ASSESSMENT RATIO STUDIES

Sec. 84. (a) G.S. 105-289(h) reads as rewritten:

"(h) To make annual studies of the ratio of the appraised value of real property to its true value ~~in money in each county in the years in which the county conducts a general reappraisal of real property under G.S. 105-286(a) and in the fourth and seventh years thereafter.~~ and to establish for each county the median ratio as determined by the studies for each calendar year. The studies for each calendar year shall be completed by April 15 of the following calendar year. The studies shall be conducted in accordance with generally accepted principles and procedures for sales assessment ratio studies."

(b) G.S. 105-296 is amended by adding a subsection to read:

"(k) He shall furnish information to the Department of Revenue as required by the Department to conduct studies in accordance with G.S. 105-289(h)."

(c) This section is effective upon ratification and shall apply to studies for the 1988 and subsequent calendar years.

(d) The enactment of the School Facilities Finance Act of 1987 has created the need for a statistical adjustment of the assessed value of taxable real property in each county in light of the staggered real property revaluation cycle. This adjustment is necessary for the allocation of the proceeds of the Critical School Facility Needs Fund. This need is in addition to the adjustments required by the 1985 legislation that equalized the property tax burden of public service companies.

For the purpose of determining net collections under G.S. 105-213 for the fiscal year ending June 30, 1987, the sum of seventy-two thousand three hundred forty-five dollars ($72,345) shall be deducted, in addition to the amounts specified by the second paragraph of G.S. 105-213(a), to fund the cost to the Department of Revenue for the 1987-88 fiscal year of making the sales-assessment ratio studies required by G.S. 105-284 and G.S. 105-289. Such deduction shall be expended as follows:

PURPOSE	1987-88
Property Valuation Specialists	$ 46,828
Accounting Clerk	12,267
Additional Travel Expense	6,000
Total Recurring	65,095

Furniture and Equipment	2,250
Data Processing Equipment	5,000
Total Nonrecurring	7,250
Total Expenditures	$ 72,345

Requested by: Rep. Hunter, Sen. Thomas

----- NEW REVENUE DEPARTMENT COSTS DRAWN FROM PROCEEDS

Sec. 85. Section 66 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 66. (a) To pay for the cost of preparing, printing, publishing, and mailing to certain employers revised income tax withholding instructions and returns required due to the enactment of Chapter 622 of the 1987 Session Laws and the cost of processing the additional returns, the Department of Revenue shall retain the sum of two hundred eighty-one thousand two hundred fifty-two dollars ($281,252) from the collections received by the Department during ~~February 1988~~ the 1987-88 fiscal year under Article 4A of Chapter 105 of the General Statutes, and shall retain the sum of two hundred thousand nine hundred sixty-one dollars ($200,961) from the collections received by the Department during ~~February 1989~~ the 1988-89 fiscal year under Article 4A of Chapter 105 of the General Statutes.

Such funds shall be expended as follows:

Purpose	1987-88	1988-89
Revenue Officers	$55,099	$55,099
Individual Income Tax	88,164	88,164
Accounting Division	20,127	20,127
General Services	25,170	25,170
Non-Recurring	10,971	
Management Information Services	12,401	12,401
Non-Recurring	69,320	

(b) To pay for the cost of of addressing transition problems resulting from the elimination of the discount allowed taxpayers for collecting the state and local sales tax under Chapter 622 of the 1987 Session Laws, the Department of Revenue shall retain the sum of forty thousand five hundred seventy-one dollars ($40,571) from the collections received by the Department during September 1987 under Article 5 of Chapter 105 of the General Statutes."

PART XVIII.-----DEPARTMENT OF PUBLIC EDUCATION

Requested by: Rep. James

-----LOAN FROM THE STATE LITERARY FUND

Sec. 86. Notwithstanding any other provision of law, the State Board of Education shall, upon the written request of the Pasquotank County Commissioners and the Pasquotank County Board of Education, loan Pasquotank County one million dollars ($1,000,000) from the State Literary Fund for public school facility needs in Pasquotank County. The loan shall be interest free, and shall be paid back no later than June 30, 1997, with the funds Pasquotank County and the Pasquotank County Board of Education receive from the Public School Building Capital Fund and the Critical School Facility Needs Fund.

When considering the eligibility of the Pasquotank County School Administrative Unit for a grant from the Critical School Facility Needs Fund, the Commission on School Facility Needs shall treat the Pasquotank County School Administrative Unit as if no loan has been made pursuant to the provisions of this section and no repairs, renovations, or construction has been accomplished with the loaned funds.

Notwithstanding any other provision of law, the approval of the Local Government Commission is not required for a loan pursuant to this section.

Requested by: Sen. Ward

-----TEACHING FELLOWS COMMISSION SCHOLARSHIPS

Sec. 87. (a) G.S. 115C-363.24(a) reads as rewritten:

"(a) A Teaching Grant Program for College Juniors shall be administered by the North Carolina Teaching Fellows Commission. The Teaching Grant Program for ~~Prospective Teachers~~ College Juniors shall be used to provide a two-year scholarship loan of four thousand dollars ($4,000) per year to ~~200~~ North Carolina residents who are college juniors or community college graduates and who are interested in preparing to teach in the public schools of the State. The Commission shall adopt standards to ensure that these scholarship loans are awarded only to students who meet scholastic standards set by the Commission and who are majoring in a subject area of high need and who agree to teach in a specified region or local school administrative unit of the State."

(b) Funds appropriated in Section 2 of this act for scholarship loan programs administered by the North Carolina Teaching Fellows Commission shall be used to provide 400 new scholarship loans each year of five thousand dollars ($5000) each under the Teaching Fellows

Program and 50 new scholarship loans each year of four thousand dollars ($4,000) each under the Teaching Grant Program for College Juniors.

Funds are appropriated in Section 2 of this act to the Public School Forum of North Carolina, Inc., in the amount of three hundred seventy-five thousand dollars ($375,000) for the 1987-88 fiscal year and the amount of three hundred seventy five thousand dollars ($375,000) for the 1988-89 fiscal year to provide staff and office space to the North Carolina Teaching Fellows Commission and for the other activities of the Forum for the benefit of public education in the State of North Carolina.

(c) The State Board of Education shall review the Teaching Fellows Program, the Teaching Grant Program for College Juniors, and the Scholarship Loan Program for Prospective Teachers, and shall report on the programs to the Joint Legislative Commission on Governmental Operations at its April 1990 meeting. The report should include but not be limited to the type of programs offered to recipients, class standing and SAT scores of recipients, grade point averages of those in the programs, enrichment programs offered by participating universities, percentage of minority participation in the programs, geographic distribution of recipients, and any other matters which the State Board of Education deems significant. The State Board of Education shall also recommend if these programs should be continued and if so, at what level.

It is the intent of the General Assembly to review the recommendations of the State Board of Education and determine the need and feasibility of continuing the programs.

Requested by: Sen. Ward

----- STATE BEP FUNDS SHALL NOT SUPPLANT LOCAL FUNDS FOR SCHOOLS

Sec. 88. (a) It is the intent of the General Assembly that budget funds appropriated by the General Assembly for vocational education programs and clerical personnel to implement the Basic Education Program be used to supplement and not supplant existing State and local funding for the public schools. Therefore, to the extent that local school administrative units receive additional State funds for vocational education programs and clerical personnel positions that were previously funded in whole or in part with nonstate funds, the local governments shall continue to spend for public school operating or capital purposes in the local school administrative units the amount of money they would have spent to provide the vocational education programs and the school clerical personnel previously funded with nonstate funds.

Priority shall be given to funding capital needs, particularly those resulting from implementation of the Basic Education Program.

(b) This section is effective upon ratification and applies to all fiscal years beginning with the 1988-89 fiscal year.

Requested by: Sen. Ward, Warren

-----ASSISTANT PRINCIPAL POSITIONS

Sec. 89. (a) Of the funds appropriated to the Department of Public Education in Section 2 of Chapter 738 of the 1987 Session Laws, the sum of one million four hundred forty seven thousand two hundred ninety four dollars ($1,447,294) for the 1987-88 fiscal year and the sum of seven hundred six thousand eight hundred eighteen dollars ($706,818) for the 1988-89 fiscal year shall be used to replace assistant principal positions in those local school administrative units that would have lost positions because of the allocation formula for assistant principals adopted by the State Board of Education in the Basic Education Program.

(b) The State Board of Education shall study the need for assistant principals at the school level considering such factors as school size, complexity of the organization, and makeup of the student body and faculty. The State Board of Education shall reports its findings and recommendations to the Joint Legislative Commission on Governmental Operations by February 1, 1988.

(c) Assistant principals paid from State funds shall not have regularly assigned teaching duties.

Requested by: Rep. Nesbitt

-----SUBSTITUTE TEACHER PAY

Sec. 90. Substitute teachers who are not currently certified and have not previously been certified as teachers but who take teacher effectiveness training without compensation shall be paid at a rate of forty-five dollars ($45.00) per day. All other substitute teachers who are not currently certified and have not previously been certified as teachers shall be paid at a rate of thirty-five dollars ($35.00) per day.

Requested by: Sen. Royall

-----SURVEY OF SCHOOL CLERICAL POSITIONS

Sec. 91. The Controller of the State Board of Education shall use funds available for the 1987-88 fiscal year to survey the local school administrative units to determine the number of clerical positions, salaries and fringe benefits, source of funds, and job descriptions. The Controller shall report the results of the survey to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by May 1, 1988.

PART XIX.-----DEPARTMENT OF COMMUNITY COLLEGES

Requested by: Rep. Nesbitt, Sen. Ward
----- ASSISTANCE TO HOSPITAL NURSING/FUND DISTRIBUTION

Sec. 92. Funds appropriated in Section 2 of this act to the Department of Community Colleges to provide financial assistance to hospital programs of nursing education leading to diplomas in nursing that are fully accredited by the North Carolina Board of Nursing and operated under the authority of a public or nonprofit hospital licensed by the North Carolina Medical Care Commission shall be distributed, upon application for financial assistance, on the basis of eight hundred fifty dollars ($850.00) for each full-time student duly enrolled in the program as of December 1 of the preceding year and on condition that accreditation is maintained. The State Board of Community Colleges shall adopt rules to ensure that this financial assistance is used directly for faculty and instructional needs of diploma nursing programs.

PART XX.-----UNIVERSITIES

Requested by: Rep. Ed Warren
----- AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT LIMITATIONS

Sec. 93. (a) The amount of a tuition grant awarded to a student enrolled in a degree program at a site away from the main campus of the approved private institution, as defined in G.S. 116-22(1), may be no more than the result of the ratio of the cost per credit hour for off-campus instruction at that site to the cost per credit hour for regular, full-time on-campus instruction, multiplied by the maximum grant award.

(b) No Legislative Tuition Grant funds may be expended for a program at an off-campus site of a private institution, as defined in G.S. 116-22(1), established after May 14, 1987, unless (i) the private institution offering the program has previously notified and secured agreement from other private institutions operating degree programs in the county in which the off-campus program is located or operating in the counties adjacent to that county or (ii) the degree program is neither available nor planned in the county with the off-campus site or in the counties adjacent to that county.

An "off-campus program" is any program offered for degree credit away from the institution's main, permanent campus.

(c) Any member of the armed services as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes as defined

under G.S. 116-143.1, is eligible for a Legislative Tuition Grant pursuant to this section if the member is enrolled as a full-time student. The member's Legislative Tuition Grant may not exceed the cost of tuition less any tuition assistance paid by the member's employer.

(d) G.S. 116-22(1) reads as rewritten:

"(1) 'Institution' shall mean an educational institution with its main campus located in this State that is not owned or operated by the State of North Carolina or by an agency or political subdivision of the State or by any combination thereof, that is accredited by the Southern Association of Colleges and Schools under the standards of the College Delegate Assembly of said Association and that is not a seminary, Bible school, Bible college or similar religious institution."

Requested by: Sen. Ward, Rep. Nesbitt

-----AID TO PRIVATE COLLEGES/PROCEDURE

Sec. 94. (a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, G.S. 116-21, and G.S. 116-22. These funds shall provide up to three hundred fifty dollars ($350.00) for the 1987-88 fiscal year and four hundred dollars ($400.00) for the 1988-89 fiscal year per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1 each year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be for the tuition grant program as defined in subsection (b) of this section.

(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition to all other financial assistance made available to private educational institutions located within the State, or to students attending these institutions, there is granted to each full-time North Carolina undergraduate student attending an approved institution as defined in G.S. 116-22, the sum of one thousand fifty dollars ($1,050) for the 1987-88 fiscal year and the sum of one thousand one hundred dollars ($1,100) for the 1988-89 fiscal year per academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not

inconsistent with this section. The State Education Assistance Authority may not approve any grant until it receives proper certification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and carrying a minimum academic load as of the 10th classroom day following the beginning of the school term for which the grant was paid, the institution shall refund the full amount of the grant to the State Education Assistance Authority. Each approved institution shall be subject to examination by the State Auditor for the purpose of determining whether the institution has properly certified eligibility and enrollment of students and credited grants paid on the behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a full grant, each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation. Any remaining funds shall revert to the General Fund.

(c) Expenditures made pursuant to this section may be used only for secular educational purposes at nonprofit institutions of higher learning.

Requested by: Rep. Nesbitt, Sen. Ward

----- WAKE FOREST AND DUKE MEDICAL SCHOOL ASSISTANCE/FUNDING FORMULA.

Sec. 95. Funds appropriated in Section 2 of this act to the Board of Governors of The University of North Carolina for continuation of financial assistance to the medical schools of Duke University and Wake Forest University shall be disbursed on certifications of the respective schools of medicine that show the number of North Carolina residents as first-year, second-year, third-year, and fourth-year students in the medical school as of November 1, 1987, and November 1, 1988. Disbursement to Wake Forest University shall be made in the amount of eight thousand dollars ($8,000) for each medical student who is a North Carolina resident, one thousand dollars ($1,000) of which shall be placed by the school in a fund to be used to provide financial aid to needy North Carolina students who are enrolled in the medical school. The maximum aid given to any student from this fund in a given year may not exceed the amount of the difference in tuition and academic fees charged by the school and

those charged at the School of Medicine at The University of North Carolina at Chapel Hill.

Disbursement to Duke University shall be made in the amount of five thousand dollars ($5,000) for each medical student who is a North Carolina resident, five hundred dollars ($500.00) of which shall be placed by the school in a fund to be used to provide student financial aid to financially needy North Carolina students who are enrolled in the medical school. No individual student may be awarded assistance from this fund in excess of two thousand dollars ($2,000) each year. In addition to this basic disbursement for each year of the biennium, a disbursement of one thousand dollars ($1,000) shall be made for each medical student who is a North Carolina resident in the first-year, second-year, third-year, and fourth-year classes to the extent that enrollment of each of those classes exceeds 30 North Carolina students.

The Board of Governors shall establish the criteria for determining the eligibility for financial aid of needy North Carolina students who are enrolled in the medical schools and shall review the grants or awards to eligible students. The Board of Governors shall adopt rules for determining which students are residents of North Carolina for the purposes of these programs. The Board shall also make any regulations as necessary to ensure that these funds are used directly for instruction in the medical programs of the schools and not for religious or other nonpublic purposes. The Board shall encourage the two schools to orient students towards personal health care in North Carolina giving special emphasis to family and community medicine.

Requested by: Rep. Nesbitt

-----STRENGTHEN TEACHER EDUCATION

Sec. 96. (a) The State Board of Education, the Board of Governors, and the institutions of higher education that offer teacher education programs which meet the State Board of Education teacher certification requirements, are directed to implement the objectives of the 1987-89 plans for the preparation of teachers as identified in the report entitled, "The Education of North Carolina's Teachers".

(b) Of the funds appropriated to the Department of Public Education in Section 2 of Chapter 738 of the 1987 Session Laws, the sum of four hundred fifty-five thousand dollars ($455,000) for the 1987-88 fiscal year and the sum of one million eighty thousand dollars ($1,080,000) for the 1988-89 fiscal year, shall be used by the State Board of Education to carry out the following objectives of the program components:

	1987-88	1988-89
Reform of Teacher Education Programs	$	$ 300,000
Quality Assurance Program Improvement	30,000	30,000
Teacher Certification and Program Approval	425,000	750,000
Total	$ 455,000	$1,080,00

(c) Of the funds appropriated to the Board of Governors of The University of North Carolina in Section 2 of Chapter 738 of the 1987 Session Laws, the Board of Governors shall (i) allocate to the institutions of higher education that offer teacher education programs which meet the State Board of Education teacher certification requirements, the sum of one million thirty thousand dollars ($1,030,000) in the 1987-88 fiscal year and the sum of one million five hundred thirty thousand dollars ($1,530,000) in the 1988-89 fiscal year and (ii) use the sum of thirty thousand dollars ($30,000) in 1987-88 and the sum of thirty thousand dollars ($30,000) in 1988-89 for program implementation. From these appropriations the Board of Governors and the institutions shall carry out the following program components as identified in the task force report:

	1987-88	1988-89
The Institutions of Higher Education:		
Reform of Teacher Education Programs	$ 280,000	$ 530,000
Quality Assurance Program Improvement	500,000	500,000
Revitalization of Teacher Education Faculty	250,000	500,000
Total - Institutions of Higher Education	$1,030,000	$1,530,000
The Board of Governors:		
Quality Assurance Program Improvement	$ 30,000	$ 30,000
Total - Board of Governors	$ 30,000	$ 30,000

(d) The Board of Governors and the State Board of Education shall, through the joint council or commission recommended in the 1987 report mandated by the 1985 General Assembly entitled "The Education of North Carolina's Teachers", jointly develop a plan for monitoring and evaluating the effectiveness and impact of the efforts to implement the objectives of the Report of the Task Force on the Preparation of Teachers. Such plan shall include measurable outcomes and provide for the collection of data and other information to determine the extent to which these outcomes are achieved, and to determine to what extent the results are attributable to the various efforts initiated by this act. This monitoring and evaluation plan shall

be developed and presented to the Joint Legislative Commission on Governmental Operations by February 15, 1988. The plan shall provide for annual reports of the findings to the Joint Legislative Commission on Governmental Operations and to the chairmen of the House and Senate Appropriations Committees on Education.

(e) The State Board of Education and the Board of Governors of The University of North Carolina shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on actions taken or anticipated to implement this section.

(f) In order to ensure that this is the most effective program possible, and to require that the General Assembly carefully reviews this program, this section shall expire June 30, 1989, unless reenacted by the General Assembly. Funds to carry out the provisions of this section may not be included in the base budget for the 1989-91 fiscal biennium.

PART XXI.----- DEPARTMENT OF NATURAL RESOURCES AND COMMUNITY DEVELOPMENT

Requested by: Rep. Nesbitt

-----LAND RECORDS MANAGEMENT PROGRAM

Sec. 98. (a) Of the funds appropriated to the Department of Natural Resources and Community Development in Section 2 of this act, the sum of one hundred fifty thousand dollars ($150,000) for the 1987-88 fiscal year and the sum of two hundred thousand dollars ($200,000) for fiscal year 1988-89 shall be used to expand the Land Records Management Grants Program.

(b) This section shall become effective October 1, 1987.

Requested by: Rep. Watkins

-----PARK LAND FUNDS

Sec. 98.1. Section 32 of Chapter 795 of the 1987 Session Laws, is amended by adding a new subdivision to read:

"(2a) The sum of two hundred fifty thousand dollars ($250,000) shall be used for the Beach Access Program;".

Requested by: Rep. Watkins

-----WASTEWATER TREATMENT WORKS EMERGENCY FUND

Sec. 99. In case of any conflict between the provisions of G.S. 143-215.3A and G.S. 143-215.3B as enacted by Chapter 767, Session Laws of 1987, and the provisions of Section 155 of Chapter 738, Session Laws of 1987, the provisions of G.S. 143-215.3A and G.S. 143-215.3B shall prevail.

Requested by: Sen. Basnight

----- ALBEMARLE COMMISSION-REGION R DEVELOPMENT FUNDS

Sec. 100. Of the funds appropriated in Section 2 of this act to the Office of State Budget and Management, five hundred fifty thousand dollars ($550,000) is allocated for the 1987-88 fiscal year to the Albemarle Commission-Region R Council of Governments for community and economic development in northeastern North Carolina.

These funds shall be matched on a one-to-one basis, either by local or federal funds, or by in-kind donations, such as property. Matching property or funds include previous contributions already made, and property on-site already donated.

Requested by: Rep. Bob Etheridge

----- AGRICULTURAL COST SHARE PROGRAM FOR NONPOINT SOURCE POLLUTION CONTROL

Sec. 101. Of the funds appropriated to the Department of Natural Resources and Community Development in Section 2 of this act for fiscal year 1987-88 for expansion of the Agriculture Cost Share Program for Nonpoint Source Pollution Control, as set out in Part 9, Article 21, of Chapter 143 of the General Statutes:

(1) The sum of two million nine hundred seventy-five thousand nine hundred ninety-two dollars ($2,975,992) shall be used to expand the Program to include the seven counties in the Neuse River Basin not presently included in the program, which are as follows: Greene, Johnston, Lenoir, Nash, Pitt, Wayne and Wilson; and to include the following 16 counties in the French Broad, Little Tennessee, Hiwassee and Broad River Basins: Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania and Yancey, to provide cost sharing funds to farmers;

(2) The sum of six hundred thousand dollars ($600,000) shall be used to provide an additional 50 to 60 technical positions to provide statewide planning assistance to farmers for implementation of this program. Funds for technical positions shall be allocated to the Soil and Water Conservation Commission in accordance with the requirements of the program.

Requested by: Sen. Basnight, Rep. Colton
----- AGRICULTURE COST SHARE PROGRAM FUNDS NONREVERTING

Sec. 102. G.S. 143-215.74 is amended by adding a new subsection to read:

"(d) State funds for the program shall remain available until expended for the program."

Requested by: Reps. Ethridge, Watkins, Bob Etheridge, Nesbitt
-----COST SHARE FUNDS FOR TIDEGATES

Sec. 103. Of the funds appropriated in Section 2 of this act in the continuation budget to the Department of Natural Resources and Community Development for the Agricultural Cost Share Program for coastal counties, up to forty thousand dollars ($40,000) in fiscal year 1987-88 and up to forty thousand dollars ($40,000) in fiscal year 1988-89 shall be used to provide cost share funds for funding tidegates in Hyde County in accordance with the cost share rates established in G.S. 143-215.74(b)(6).

Requested by: Sen. Basnight, Rep. Bruce Ethridge
----- COMMUNITY ACTION AGENCIES/ADMINISTRATIVE COSTS

Sec. 104. Funds are appropriated in Section 2 of this act to the Department of Natural Resources and Community Development for the administration of Community Service Block Grant Programs. Up to fifty percent (50%) of these funds may be used, at the discretion of each Community Action Agency board of directors, to defray the administrative expense of programs other than Community Service Block Grant Programs.

Requested by: Rep. Watkins
-----COUNCIL OF GOVERNMENTS FUNDING

Sec. 105. (a) Of the funds appropriated by Section 2 of this act to the Office of State Budget and Management, the sum of nine hundred ninety thousand dollars ($990,000) for each fiscal year shall only be used as provided by this section. Each regional council of government is allocated an amount up to fifty-five thousand dollars ($55,000) each fiscal year, with the actual amount calculated as provided in subsection (b) of this section.

(b) The funds shall be allocated as follows: A share of the maximum fifty-five thousand dollars ($55,000) shall be allocated to each county and smaller city based on the 1980 Federal Census population of that county (less the population of any larger city within that county) or smaller city, divided by the sum of the total population

of the region (less the population of larger cities within that region) and the total population of the region living in smaller cities. Population totals shall be according to the 1980 Federal Census, except to account for cities incorporated since the return of that census, and in such case, the most recent annual estimate of the Office of State Budget and Management shall be used. Those funds shall be paid to the regional council of government to which that county or city belongs upon receipt by the Office of a resolution of the governing board of the county or city requesting release of the funds. If any city or county does not so request payment of funds by June 30 of a fiscal year, that share of the allocation for that fiscal year shall revert to the General Fund.

(c) A council of government may use funds appropriated by this section only to assist local governments in grant applications, economic development, community development, support of local industrial development activities, and other activities as deemed appropriate by the member governments.

(d) Funds appropriated by this section may not be used for payment of dues or assessments by the member governments, and may not supplant funds appropriated by the member governments.

(e) As used in this section, "larger city" means an incorporated city with a population of 50,000 or over. "Smaller city" means any other incorporated city.

PART XXII.-----DEPARTMENT OF COMMERCE

Requested by: Sen. Basnight, Rep. Colton

-----TOURISM GRANT LIMITATION

Sec. 106. The Department of Commerce may not grant more than five thousand dollars ($5,000) to any one grantee during a fiscal year to promote tourism. No grantee may receive a grant in three consecutive fiscal years. All grants by the Department of Commerce to promote tourism shall be made on condition that the grantee match the grant on a dollar-for-dollar basis. Grants to promote tourism may not be used for the following purposes:

(1) Capital construction;

(2) Routine operating expenses normally paid by the grantee; or

(3) Existing programs of the grantee.

Requested by: Sen. Basnight, Reps. Bruce Ethridge, Colton

-----TECHNOLOGICAL DEVELOPMENT AUTHORITY FUNDING

Sec. 107. Of the funds appropriated in Section 2 of this act to the North Carolina Technological Development Authority, the sum of one million dollars ($1,000,000) for fiscal year 1987-88 and the sum

of one million dollars ($1,000,000) for fiscal year 1988-89 shall be used for the North Carolina Innovation Research Fund, and the sum of two hundred thirty-five thousand dollars ($235,000) for fiscal year 1987-88 and the sum of two hundred thirty-five thousand dollars ($235,000) for fiscal year 1988-89 shall be used for the Incubator Facilities Program.

Sec. 108. G.S. 143B-471.5(d) reads as rewritten:

"(d) Awards per research project shall not exceed ~~fifty thousand dollars ($50,000)~~ one hundred thousand dollars ($100,000) per fiscal year. Awards will be limited to concerns physically located in North Carolina, but the awards shall not be limited to incubator-affiliated projects."

Requested by: Rep. Bob Etheridge

-----RAVEN ROCK STATE PARK WATERLINE

Sec. 109. Funds appropriated by Section 2 of this act to the Department of Commerce for Harnett County industrial development may be expended for this purpose only if the waterline is extended to Raven Rock State Park.

Requested by: Sen. Royall

-----RURAL ECONOMIC DEVELOPMENT CENTER

Sec. 110. Of the funds appropriated to the Department of Commerce in Section 2 of this act, the sum of two million dollars ($2,000,000) for the 1987-88 fiscal year and the sum of two million dollars ($2,000,000) for the 1988-89 fiscal year shall be used for a grant-in-aid to the Rural Economic Development Center, Inc., for the administrative costs of the Center and for its pilot projects and research. No more than five hundred thousand dollars ($500,000) of those funds for each fiscal year may be used for the administrative costs of the North Carolina Rural Economic Development Center.

Requested by: Rep. Lineberry

-----INDUSTRIAL DEVELOPMENT FUND

Sec. 111. Of funds appropriated to the Department of Commerce in Section 2 of this act, the sum of five million dollars ($5,000,000) shall be used for a fund to assist the local governments of the most economically depressed counties in this State as determined by median per capita income. The Department of Commerce shall adopt rules providing for the administration of the program. Those rules shall include the following:

(1) The funds shall be used for renovations of buildings to be used for manufacturing and industrial expansion, to include utility, water line, and structural repairs and improvements.

(2) The funds shall be used by the city and county governments for funds expended at a rate of one thousand two hundred dollars ($1,200) per new job created up to a maximum of two hundred fifty thousand dollars ($250,000) per project.

(3) The funds may be used by the city or county governments in accordance with rules to be issued by the Department of Commerce governing the use of funds and eligibility for grants under this program.

The Department of Commerce shall report annually to the General Assembly concerning the applications made to the fund and the payments made from the fund and the impact of the payments on job creation in the targeted counties.

The Department of Commerce shall also report monthly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on to whom payments were made, in what amounts, and for what purposes.

Requested by: Sen. Basnight, Rep. Bruce Ethridge

-----PETROLEUM OVERCHARGE FUNDS ALLOCATION

Sec. 112. The funds placed in the Special Reserve for Oil Overcharge Funds by Section 182 of Chapter 1014 of the 1985 Session Laws (1986 Regular Session) (except Stripper funds) are appropriated to the Department of Commerce and shall be allocated as follows:

		1987-88	1988-89
A.	Exxon Settlement		
	1. Schools & Hospitals	$2,500,000	$2,500,000
	2. Weatherization	3,200,000	3,200,000
	3. State Energy Conservation Plan/Energy Energy Extension Service	4,000,000	4,475,000
	4. Low Income Energy Assistance	3,000,000	3,000,000
		$12,700,000	$13,175,000

Remaining Exxon Settlement funds shall remain in the Special Reserve for Oil Overcharge funds to be appropriated by the 1989 General Assembly. All interest or income accruing from all deposits or investments of cash balances in the special reserve shall be credited to the special reserve.

Of the funds allocated for the State Energy Conservation Plan and Energy Extension Service, three hundred thousand dollars ($300,000) shall be allocated in fiscal year 1987-88 and seven hundred seventy-five thousand dollars ($775,000) in fiscal year 1988-89 to the Department of Public Education for development of a transportation information management system, and one million five hundred

thousand dollars ($1,500,000) shall be allocated in fiscal year 1987-88 and one million five hundred thousand dollars ($1,500,000) in fiscal year 1988-89 to the Department of Transportation for signalization efforts. These funds shall be disbursed and spent in accordance with applicable federal court orders and other related federal laws and regulations.

The sum of three million dollars ($3,000,000) appropriated in fiscal year 1987-88 and fiscal year 1988-89 for Low Income Energy Assistance shall be used to provide low-income energy assistance payments in the Low-Income Energy Block Grant Program. These funds shall be disbursed and spent in accordance with applicable federal court orders and other related federal laws and regulations.

B. Amoco II Funds and Other Cases: The Department of Commerce shall develop a plan for the use of Amoco II funds and other cases and submit that plan or plans to the Joint Legislative Commission on Governmental Operations no later than November 15, 1987. Amoco II funds and funds from other settlements held in an escrow account for the State of North Carolina shall be used for State Energy Conservation Plan and Energy Extension Service type projects in accordance with applicable federal court orders and other related federal laws and regulations.

C. Diamond Shamrock Settlement Funds: Up to one hundred thousand dollars ($100,000) in fiscal year 1987-88 may be used by the Division of Energy to administer petroleum overcharge funds. The remaining Diamond Shamrock Settlement Funds shall be placed in reserve for fiscal year 1988-89 in the Office of State Budget and Management and used for administrative expenses of the Division of Energy on an as-needed basis only. Prior to the expenditure of funds from this reserve, the Department of Commerce shall report to the Joint Legislative Commission on Governmental Operations detailing the amount of funds required and the purposes for which the funds are to be used. All interest from the Diamond Shamrock Settlement shall be deposited in the Diamond Shamrock reserve in the Office of State Budget and Management.

The Department of Commerce shall submit an annual report to the General Assembly by May 15, 1988, and January 31, 1989, detailing the use of all petroleum overcharge funds administered by the Department.

All funds received by the State of North Carolina during the 1987-89 fiscal biennium in other oil overcharge cases, including additional Stripper Well Settlements, to afford restitution to the citizens of the State, are appropriated to the Special Reserve for Oil Overcharge Funds. Funds from the Special Reserve may be expended only as authorized by the General Assembly.

PART XXIII.-----DEPARTMENT OF TRANSPORTATION

Requested by: Sen. Plyler
-----D.O.T. SPECIAL EVENTS FUND

Sec. 113. (a) G.S. 20-81.3 is amended by adding a new subsection to read:

"(g) The Secretary of Transportation may allocate and reserve up to one hundred thousand dollars ($100,000) to the Department of Transportation each fiscal year from the 'Personalized Registration Plate Fund', before any other transfers are made pursuant to subsection (c) of this section, for the purpose of traffic control at major events as provided for by G.S. 136-44.2. Any funds allocated pursuant to this subsection that are not used or obligated shall remain in the 'Personalized Registration Plate Fund' for use for the fund's other purposes."

(b) G.S. 136-44.2 is amended by adding a new paragraph, at the end, to read:

"The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day."

Requested by: Sen. Plyler
-----TRANSFER EXCESS PERSONALIZED PLATES' FEES

Sec. 114. All funds in excess of one hundred thousand dollars ($100,000) that are currently being held by the Department of Transportation pursuant to G.S. 20-81.3(c)(5) shall be transferred to the Department of Commerce to implement G.S. 20-81.3(c)(1).

Requested by: Rep. Bob Etheridge, Sen. Plyler
----- TRANSPORTATION IMPROVEMENT/CAPITAL IMPROVEMENT PROGRAMS

Sec. 115. In order to better manage and implement the Transportation Improvement Program and the Capital Improvement Program, the Division of Highways may reorganize portions of its operations to establish new department codes for the Program and Policy Branch, the Planning and Research Branch, and the Operations Support Division. This change may include the realignment of approximately 120 existing positions and support funds from within the existing budget of the Division of Highways.

The Department of Transportation shall report to the Chairmen of

the Appropriations Base Budget Committee and the Appropriations Expansion Budget Committee in the House of Representatives, the Chairmen of the Appropriations Committee and the Base Budget Committee in the Senate, and the Chairmen of the Joint Appropriations Committees of Natural and Economic Resources by May 1, 1988, on the status and total cost of the reorganization and any savings that result from the reorganization. The report shall also include an evaluation of the effectiveness of the change.

The Department of Transportation shall report monthly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division prior to implementation of any reorganization on the status and cost of the proposed reorganization, and any savings that may result from the proposed reorganization.

Requested by: Rep. Watkins

-----ACCESS NORTH CAROLINA FUNDS ALLOCATION

Sec. 116. (a) G.S. 20-81.3(c)(3) is rewritten to read:

"(3) Seventeen percent (17%) to the account of the Department of Human Resources to promote travel accessibility for disabled persons in this State. These funds shall be used: to collect and update site information on travel attractions designated by the Department of Commerce in their publications; to provide technical assistance to travel attraction concerning accommodation of disabled tourists; and to develop, print, and promote the publication ACCESS NORTH CAROLINA. The Department of Human Resources shall make copies of ACCESS NORTH CAROLINA available to the Department of Commerce for their use in Welcome Centers and other appropriate Department of Commerce offices."

(b) G.S. 20-81.3(c)(4) is rewritten to read:

"(4) The Department of Commerce shall promote ACCESS NORTH CAROLINA in their publications (including providing a toll-free telephone line and an address for requesting copies of the publication) and provide technical assistance to the Department of Human Resources on travel attractions to be included in ACCESS NORTH CAROLINA. The Department of Commerce shall forward all requests for mailing ACCESS NORTH CAROLINA to the Department of Human Resources."

(c) G.S. 20-81.3(c)(5) is rewritten to read:

"(5) Funds allocated by this section for promotion of travel accessibility and ACCESS NORTH CAROLINA which are not spent and are not obligated at the end of the fiscal year shall not revert but shall be transferred to the Department of Administration for removal of man-made barriers to disabled travelers at State-funded travel

attractions. Guidelines for the removal of man-made barriers shall be developed in consultation with the Department of Human Resources."

(d) Funds not obligated by the Department of Commerce from the Personalized Registration Plate Fund designated to promote travel accessibility for disabled persons as of June 30, 1987, shall be transferred to the Department of Administration and shall be used for removal of man-made barriers to disabled travelers at State-funded travel attractions.

(e) The provisions of G.S. 143-170.1 do not apply to ACCESS NORTH CAROLINA and advertisement publications promoting it.

Requested by: Rep. Bob Etheridge
-----SIGNING OF STATE MAINTAINED COUNTY ROADS

Sec. 117. Nine hundred sixty-four thousand dollars ($964,000) of the funds to be allocated pursuant to G.S. 136-44.2A for secondary road construction during the 1987-88 fiscal year shall be exempt from the county formula allocation in G.S. 136-44.5. The Department of Transportation shall utilize the funds so excluded for the signing of State maintained county roads in the counties where signing has not already been funded.

Requested by: Rep. Bob Etheridge
-----NEW DMV REVOCATION PROCESSORS

Sec. 118. Of the funds appropriated in Section 3 of Chapter 738 of the 1987 Session Laws for forty-four new positions in the Division of Motor Vehicles to process license revocations, no funds shall be expended for new supervisory personnel.

PART XXIV.-----MISCELLANEOUS PROVISIONS

Requested by: Sen. Royall, Rep. Watkins
-----EXECUTIVE BUDGET ACT REFERENCE

Sec. 119. The provisions of the Executive Budget Act, Chapter 143, Article 1, of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Requested by: Sen. Royall, Rep. Watkins
----- EFFECT OF MOST LIMITATIONS AND DIRECTIONS IN TEXT/ONLY-1987-89

Sec. 120. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1987-89 biennium, the textual provisions of this act shall apply only to funds appropriated for and activities occurring during the 1987-89 biennium.

Requested by: Sen. Royall, Rep. Watkins
-----SEVERABILITY CLAUSE

Sec. 121. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of the act as a whole or any part other than the part so declared to be unconstitutional or invalid.

Requested by: Sen. Royall, Rep. Watkins
-----EFFECT OF HEADINGS

Sec. 122. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Sen. Royall, Rep. Watkins
-----EFFECTIVE DATE

Sec. 123. Except as otherwise provided, this act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 563 **CHAPTER 831**

AN ACT TO AMEND THE COMMUNITY WORK EXPERIENCE PROGRAM TO CHANGE LIMITATIONS ON TIME SPENT AT A WORKSITE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 108A-39.2(d) is rewritten to read:

"Participants placed on work experience sites shall be placed for a period not to exceed nine months unless:

(1) The participant submits a signed request to remain on the job site; and

(2) The Director of the County Department of Social Services shall determine that it is in the participant's best interest to remain on the job site; and

(3) It would be the best option for preparing participant to obtain unsubsidized employment.

The County Department of Social Services shall re-evaluate a participant's employability and placement plan when the participant has worked at a worksite for six months and is still on the worksite. Health related problems that may keep a participant from participating in the program shall be taken into consideration by the County

Department prior to placing participants on work experience sites.

If the participant has been unable to find subsidized employment after being placed on a work experience site continuously for nine months, the County Department of Social Services may place the participant in a new work experience site for a period not to exceed nine months. The County Department of Social Services shall re-evaluate the participant's employability and placement plan after the participant is on the new worksite six months."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 944 **CHAPTER 832**

AN ACT TO INCREASE THE EXCISE TAX ON SPIRITUOUS LIQUOR AND TO PROVIDE THAT LOCAL SALES TAXES SHALL BE LEVIED BY THE COUNTY IN WHICH THE RETAILER IS LOCATED WHEN THE PROPERTY SOLD IS DELIVERED TO THE PURCHASER IN ANOTHER COUNTY.

Whereas, the 1985 General Assembly during its 1986 Session enacted additional law enforcement retirement benefits which costs may have exceeded available financial resources across the State requiring that additional revenue be expended; and

Whereas, it is the intent of the General Assembly that the additional revenue that will accrue to local governments as a result of this act be used to the extent necessary to fund the additional law enforcement retirement benefits; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-208(b) reads as rewritten:

"(b) Special Fund. A special fund in the office of the State Treasurer, the ABC Commission Fund, is created. On and after November 1, 1982, all moneys derived from the collection of bailment charges and bailment surcharges shall be deposited in the ABC Commission Fund for the purpose of carrying out the provisions of this Chapter. The ABC Commission Fund shall be subject to the provisions of the Executive Budget Act except that no unexpended surplus of this fund shall revert to the General Fund. The Commission shall fix the level of the bailment surcharges at an amount calculated to cover operating expenses of the Commission ~~and the ALE Division~~ and the retirement of bonds issued for construction of a Commission warehouse and offices. The Commission may

impose a bailment surcharge only when revenue bonds issued under this section are outstanding.

All moneys credited to the ABC Commission Fund shall be used to carry out the intent and purposes of the ABC law in accordance with plans approved by the North Carolina ABC Commission and the Director of the Budget, and all these funds are appropriated, reserved, set aside, and made available until expended for the administration of the ABC law."

Sec. 2. G.S. 105-113.80(c) is rewritten to read:

"(c) Liquor. An excise tax of twenty-eight percent (28%) is levied on liquor sold in ABC stores. Pursuant to G.S. 18B-804(b), the price of liquor on which this tax is computed is the distiller's price plus (i) the State ABC warehouse freight and bailment charges, and (ii) a markup for local ABC boards. This tax is in lieu of sales and use taxes; accordingly, liquor is exempt from those taxes as provided in G.S. 105-164.13(37)."

Sec. 3. Operating expenses for the ALE Division shall be paid from the budget of the Department of Crime Control and Public Safety.

Sec. 4. The last paragraph of G.S. 105-467 reads as rewritten:

"The local sales tax authorized to be imposed and levied under the provisions of this Article shall be applicable to such retail sales, leases, rentals, rendering of services, furnishing of rooms, lodgings or accommodations and other taxable transactions which are made, furnished or rendered by retailers whose place of business is located within the taxing county. The tax imposed shall apply to the furnishing of rooms, lodging or other accommodations within the county which are rented to transients. ~~However no tax shall be imposed where the tangible personal property sold is delivered to the purchaser at a point outside the taxing county by the retailer or his agent, or by a common carrier.~~ For the purpose of this Article, the situs of a transaction is the location of the retailer's place of business."

Sec. 5. Section 4 of Chapter 1096 of the 1967 Session Laws, as amended, is further amended by deleting the sentence at the end of that section that begins "No tax shall" and substituting the following:

"For the purpose of this act, the situs of a transaction is the location of the retailer's place of business."

Sec. 6. G.S. 105-486 reads as rewritten:

"§ *105-486. Distribution of additional taxes.* (a) County Allocation. The Secretary shall, on a quarterly basis, ~~distribute~~ allocate the net proceeds of the additional one-half percent (1/2%) sales and use taxes

levied under this Article to the taxing counties on a per capita basis according to the most recent annual population estimates certified to the Secretary by the State Budget Officer.

(b) Adjustment. The Secretary shall then adjust the amount allocated to each county under subsection (a) by multiplying the amount by the appropriate adjustment factor set out in the table below:

County	Adjustment Factor
Dare	1.49
Brunswick	1.17
Orange	1.15
Carteret and Durham	1.14
Avery	1.12
Moore	1.11
Transylvania	1.10
Chowan, McDowell, and Richmond	1.09
Pitt and New Hanover	1.07
Beaufort, Perquimans, Buncombe, and Watauga	1.06
Cabarrus, Jackson, and Surry	1.05
Alleghany, Bladen, Robeson, Washington, Craven, Henderson, Onslow, and Vance	1.04
Gaston, Granville, and Martin	1.03
Alamance, Burke, Caldwell, Chatham, Duplin, Edgecombe, Haywood, Swain, and Wilkes	1.02
Hertford, Union , Stokes, Yancey, Halifax, Rockingham, and Cleveland	1.01
Alexander, Anson, Johnston, Northampton, Pasquotank, Person, Polk, and Yadkin	1.00
Catawba, Harnett, Iredell, Pamlico, Pender, Randolph, Stanly, and Tyrrell	0.99
Cherokee, Cumberland, Davidson, Graham, Hyde, Macon, Rutherford, Scotland, and Wilson	0.98
Ashe, Bertie, Franklin, Hoke, Lincoln, Montgomery, and Warren	0.97
Wayne, Clay, Madison, Sampson, Wake, Lee, and Forsyth	0.96
Caswell, Gates, Mitchell, and Greene	0.95
Currituck and Guilford	0.94
Davie and Nash	0.93

Rowan and Camden	0.92
Jones	0.90
Mecklenburg	0.89
Lenoir	0.88
Columbus	0.81

(c) Distribution Between Counties and Cities. The amount ~~distributed to a~~ allocated to each taxing county shall then be divided among the county and its municipalities in accordance with the method by which the one percent (1%) sales and use taxes levied in that county pursuant to Article 39 of this Chapter or Chapter 1096 of the 1967 Session Laws are distributed. If any taxes levied under this Article by a county have not been collected in that county for a full quarter because of the levy or repeal of the taxes, the Secretary shall distribute a pro rata share to that county for that quarter based on the number of months the taxes were collected in that county during the quarter."

Sec. 7. G.S. 105-493 reads as rewritten:

"§ *105-493. Distribution of taxes.* The Secretary shall, on a quarterly basis, ~~distribute~~ allocate the net proceeds of any one-half percent (1/2%) sales and use taxes levied under this Article in accordance with G.S. 105-486. For purposes of the ~~distribution~~ allocation under G.S. 105-486, a county that levies one-half percent (1/2%) sales and use taxes under this Article is considered a taxing county under that section. To make the ~~distribution~~ allocation required by G.S. 105-486 and this section, the Secretary shall add the net proceeds of local sales and use taxes levied under Article 40 of this Chapter and under this Article, and shall then ~~distribute~~ allocate this amount to the taxing counties on a per capita basis as provided in G.S. 105-486. The amount ~~distributed~~ allocated to a county that levies one-half percent (1/2%) sales and use taxes under this Article shall be adjusted by multiplying it by the appropriate adjustment factor set out in the table in G.S. 105-486(b) and then divided among the county and its municipalities on either a per capita or an ad valorem tax basis, as designated by the board of county commissioners in a resolution adopted pursuant to G.S. 105-472. If any taxes levied under this Article by a county have not been collected in that county for a full quarter because of the levy or repeal of the taxes, the Secretary shall distribute a pro rata share to that county for that quarter based on the number of months the taxes were collected in that county during the quarter."

Sec. 8. G.S. 105-501 reads as rewritten:

"§ *105-501. Distribution of additional taxes.* The Secretary shall, on a quarterly basis, ~~distribute~~ allocate the net proceeds of the additional one-half percent (1/2%) sales and use taxes levied under

this Article to the taxing counties on a per capita basis according to the most recent annual population estimates certified to the Secretary by the State Budget Officer. The Secretary shall then adjust the amount allocated to each county by multiplying the amount by the appropriate adjustment factor set out in the table in G.S. 105-486(b). The amount ~~distributed to a~~ allocated to each taxing county shall then be divided among the county and the municipalities located in the county in accordance with the method by which the one percent (1%) sales and use taxes levied in that county pursuant to Article 39 of this Chapter or Chapter 1096 of the 1967 Session Laws are distributed.

If any taxes levied under this Article by a county have not been collected in that county for a full quarter because of the levy or repeal of the taxes, the Secretary shall distribute a pro rata share to that county for that quarter based on the number of months the taxes were collected in that county during the quarter."

Sec. 9. The board of commissioners of any county may, by resolution, after 10 days' public notice and a public hearing held pursuant thereto, adopt the expansion of the local sales tax levy provided in this act. Upon adoption of such a resolution, the board of commissioners shall forward a copy of the resolution to the Secretary of Revenue. Pursuant to the provisions of G.S. 105-483, 105-490, and 105-498, adoption of the expansion of the Local Government Sales and Use Act provided in Section 4 of this act constitutes adoption of an equivalent expansion of the local sales taxes levied under Articles 40, 41, and 42 of Chapter 105 of the General Statutes.

Sec. 10. If a county fails to adopt the expansion of the Local Government Sales and Use Tax Act provided in Section 4 of this act on or before February 1, 1988, the sales and use taxes levied by the county pursuant to Articles 39, 40, 41, and 42 are repealed effective March 1, 1988, because they will be inconsistent with the scope of the levies authorized by those Articles as amended effective March 1, 1988. If Mecklenburg County fails to adopt the expansion of Section 4 of Chapter 1096 of the 1967 Session Laws provided in Section 5 of this act on or before February 1, 1988, the sales and use tax levied by Mecklenburg County pursuant to Chapter 1096 of the 1967 Session Laws is repealed effective March 1, 1988, because it will be inconsistent with the scope of the levy authorized by that Chapter as amended effective March 1, 1988, and the sales and use taxes levied by Mecklenburg County pursuant to Articles 40, 41, and 42 are repealed effective March 1, 1988, because those Articles will no longer apply to Mecklenburg County, as provided in G.S. 105-482,

105-489, and 105-497. If the sales and use taxes levied by a county are repealed as provided in this section because the county failed to adopt the expansion of the local sales tax levy, the county may, on or after March 1, 1988, levy local sales and use taxes in accordance with the provisions of Articles 39, 40, 41, and 42 of Chapter 105 of the General Statutes and Chapter 1096 of the 1967 Session Laws, as applicable.

Sec. 11. This act does not affect the rights or liabilities of the State, a taxpayer, or other person arising under a statute amended or repealed by this act before its amendment or repeal; nor does it affect the right to any refund or credit of a tax that would otherwise have been available under the amended or repealed statute before its amendment or repeal.

Sec. 12. It is the intent of the General Assembly that a Select Committee composed of members of the General Assembly shall be appointed to study the impact on local sales and use tax revenue and the administrative cost savings to the State of consolidating the local sales and use taxes levied under Articles 39, 40, 41, and 42 of Chapter 105 of the General Statutes and under Chapter 1096 of the 1967 Session Laws, as amended, with the State sales and use tax levied under Article 5 of Chapter 105 of the General Statutes. It is further intended that the Select Committee shall report to the 1987 General Assembly on the first day of the 1988 Regular Session.

Sec. 13. It is the intent of the General Assembly that if the local sales and use taxes levied under Articles 39, 40, 41, and 42 of Chapter 105 of the General Statutes and under Chapter 1096 of the 1967 Session Laws, as amended, are at a later date consolidated with the State sales and use taxes levied under Article 5 of Chapter 105 of the General Statutes, then the legislation enacting the consolidation shall also change the method of distributing the proceeds of the excise tax on liquor levied under G.S. 105-113.80(c) from the current formulation to a new method that would distribute one-eighth (1/8) of the total proceeds of that excise tax to local governments in the same manner as the State sales and use tax proceeds that are distributed to local governments under the legislation that consolidates the local sales taxes with the State sales tax.

Sec. 14. Sections 1 through 3 of this act shall become effective October 1, 1987. Sections 4 through 8 of this act shall become effective March 1, 1988, and apply to sales made on or after that date. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1277 **CHAPTER 833**

AN ACT TO APPROPRIATE FUNDS FOR A CENTRAL VOTER FILE SYSTEM IN THE OFFICE OF THE SECRETARY OF STATE.

The General Assembly of North Carolina enacts:

Section 1. The Secretary of State shall develop and send by mail to each county board of elections by September 15, 1987, a standard format for the providing of data for voter records maintained by county boards of elections on electronic data processing equipment.

Sec. 2. The standard format will be for data provided on magnetic tapes, 8 inch diskettes, 5 1/4 inch diskettes, removable disk packs, or 3 1/2 inch diskettes.

Sec. 3. The standard data format will contain the name, race, address, mailing address, sex, political affiliation, and precinct of each registered voter in the county, and any other information available, such as voting history.

Sec. 4. Each county board of elections that maintains voter records on electronic data processing equipment shall, between October 1 and November 1, 1987, provide to the Secretary of State on one of the electromagnetic media listed in Section 2 above a data file containing voter registration records in the standard format developed and made known by the Secretary of State.

Sec. 5. Each county board of elections that maintains voter records on electronic data processing equipment and that complies with this act shall receive up to the sum of six hundred dollars ($600.00) from the Secretary of State to cover the cost of the magnetic media and other expenses associated with the cost of preparing the magnetic media in the standard format.

Sec. 6. The Secretary of State shall contract with the Board of Governors of The University of North Carolina to convert the data received from the county boards of elections to a single data tape file in the following formats that can be used and produced by the State Computer Center of the State Information Processing Services: 9-track, 1600 bit-per-inch, EBCDIC tapes; and 9-track, 1600 bit-per-inch, ASCII tapes. The University of North Carolina shall create the converted, merged data tape file and deliver it to the Secretary of State not later than December 1, 1987.

Sec. 7. The Secretary of State shall provide, upon written request after December 1, 1987, to the State Chairman of each political party one magnetic copy of the converted, merged data tape file.

Sec. 8. In years following 1987, the Secretary of State and the county boards of elections shall adopt the following schedule for producing and distributing the converted, merged data files:

(1) In even-numbered years, the county boards of elections shall send the tapes or diskettes in the standard format to the Secretary of State not earlier than June 15 but not later than July 1. The Secretary of State, upon written request, shall make one copy of the converted, merged tapes available to the State Chairman of each political party on request after August 1.

(2) In odd-numbered years, the county boards of elections shall send the tapes or diskettes in the standard format to the Secretary of State not earlier than June 1, but not later than July 1. The Secretary of State, upon written request, shall make one copy of the converted, merged tapes available to the State Chairman of each political party after August 15.

Sec. 9. The Secretary of State shall sell, upon written request, to other public and private organizations and persons copies of the full converted, merged data tape file for the cost of one thousand dollars ($1,000) per copy.

Sec. 10. The Secretary of State shall in no way be required to process or produce copies of the converted, merged data tapes that contain less than the full list of registered voters for the State of North Carolina.

Sec. 11. The cost charged to the State Chairman of each political party for providing tapes under this act is limited to the cost of the magnetic tapes.

Sec. 12. Section 53(a) of Chapter 757 of the Session Laws of 1985 is repealed.

Sec. 13. For fiscal year 1987-88, of the funds appropriated to the Secretary of State, the sum of seventy thousand dollars ($70,000) already appropriated for that purpose shall be used to implement this act. Of the funds appropriated to the General Assembly by Section 53(b) of Chapter 757, Session Laws of 1985, which have been carried forward, the sum of seventy thousand dollars ($70,000) shall be transferred to the Secretary of State to be used to implement this act for fiscal year 1988-89.

Sec. 13.1. For purposes of this act, "political party" shall have the same meaning as defined in G.S. 163-96.

Sec. 14. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1310 **CHAPTER 834**

AN ACT TO APPROPRIATE FUNDS TO CREATE A POSITION TO MANAGE THE TRANSPORTATION MANAGEMENT INFORMATION SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. The Department of Public Education may use funds not to exceed fifty-five thousand dollars ($55,000) appropriated for school bus transportation for the 1987-88 fiscal year and the 1988-89 fiscal year to create a position to manage the Transportation Management Information System.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 2164 **CHAPTER 835**

AN ACT TO CLARIFY THE LAW REGARDING THE INSPECTION AND EXAMINATION OF PUBLIC RECORDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 132-6 is rewritten to read:

"§ *132-6. Inspection and examination of records.*--Every person having custody of public records shall permit them to be inspected and examined at reasonable times and under his supervision by any person, and he shall furnish certified copies thereof on payment of fees as prescribed by law. Notwithstanding the foregoing, public records relating to the proposed expansion or location of specific business or industrial projects in the State may be withheld so long as their inspection, examination or copying would frustrate the purpose for which such public records were created; provided, however, that nothing herein shall be construed to permit the withholding of public records relating to general economic development policies or activities."

Sec. 2. G.S. 132-9 is amended by adding the following sentence at the end of the paragraph to read:

"In an action to compel disclosure of public records which have been withheld pursuant to the provisions of G.S. 132-6 concerning public records relating to the proposed expansion or location of particular businesses and industrial projects, the burden shall be on the custodian withholding the records to show that disclosure would frustrate the purpose of attracting that particular business or industrial project."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1988.

S.B. 162 **CHAPTER 836**

AN ACT TO PROVIDE THAT RECEIPTS FROM THE TAX ON WINE MANUFACTURED IN NORTH CAROLINA SHALL BE USED TO PROMOTE THE GRAPE INDUSTRY.

Whereas, the 1973 General Assembly enacted legislation providing that the tax on wine manufactured in North Carolina would be lower than the tax on other wines; and

Whereas, this lower tax rate remained in effect for over ten years; and

Whereas, in 1984, the United States Supreme Court decided in the **Bacchus** case that an unequal tax between in-state and out-of-state wine violates the Commerce Clause of the United States Constitution; and

Whereas, as a result of the **Bacchus** case, North Carolina wine manufacturers began paying a higher tax on North Carolina wine; and

Whereas, the application of the higher tax to North Carolina wine manufacturers resulted in a windfall of revenue to the State and to local governments; and

Whereas, this windfall from taxes paid on North Carolina wine should be used to promote the North Carolina grape and wine industry and for research and development to improve the industry; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Part 4 of Article 2C of Chapter 105 of the General Statutes is amended by adding after G.S. 105-113.81 a new section to read:

"§ *105-113.81A. Distribution of part of wine taxes attributable to North Carolina wine.*--The Secretary shall on a quarterly basis credit to the Department of Agriculture ninety-four percent (94%) of the net proceeds of the excise tax collected on unfortified wine bottled in North Carolina during the previous quarter and ninety-five percent (95%) of the net proceeds of the excise tax collected on fortified wine bottled in North Carolina during the previous quarter, provided that the amount credited to the Department of Agriculture under this

section shall not exceed ninety thousand dollars ($90,000) per fiscal year. The Department of Agriculture shall allocate the funds received under this section to the North Carolina Grape Growers Council to be used to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in North Carolina."

Sec. 2. G.S. 105-113.82(a) is amended in the first sentence by adding after the phrase "beverages and wine" the phrase ", less the amount of the net proceeds distributed under G.S. 105-113.81A,".

Sec. 3. This act shall become effective August 1, 1987, and shall terminate June 30, 1997.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 491 **CHAPTER 837**

AN ACT TO LIMIT THE COSTS TO BE ASSESSED FOR THE SUPPORT OF THE GENERAL COURT OF JUSTICE IN THE ADMINISTRATION OF ESTATES TO THREE THOUSAND DOLLARS, REGARDLESS OF THE VALUE OF THE GROSS ESTATE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-307(a)(2) is amended by deleting "of the gross estate." in the first sentence and substituting "of the gross estate, not to exceed three thousand dollars ($3,000)."

Sec. 2. G.S. 7A-307(a)(2a) is amended by deleting "of the gross estate" in the first sentence and substituting "of the gross estate, not to exceed three thousand dollars ($3,000),".

Sec. 3. This act shall become effective with respect to estates of decedents dying on or after October 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 494 **CHAPTER 838**

AN ACT TO ENSURE THAT THE HEARING- AND SPEECH-IMPAIRED HAVE ACCESS TO BASIC TELEPHONE SERVICE.

The General Assembly of North Carolina enacts:

Section 1. Part 24 of Article 3 of Chapter 143B of the General Statutes is amended by adding new sections to read:

"*§ 143B-216.6. North Carolina Council for the Hearing Impaired; communications services for the deaf; findings and purpose; definitions.*--

(a) The General Assembly of North Carolina finds:

(1) That telephone service provides a rapid and essential communications link among the general public, and with essential offices and organizations such as police, fire and medical facilities;

(2) That all persons should have basic telephone service available to them at a fair and equitable cost;

(3) That a significant portion of North Carolina's hearing and speech impaired population have profound disabilities which render normal telephone equipment useless without additional specialized devices which cost several hundred dollars;

(4) That there exists a need for a program whereby access to basic telephone service for hearing and speech impaired persons is equal in cost to the amount paid by other telephone customers; and

(5) That is the declared purpose of this section to establish a program whereby the cost of specialized telecommunications equipment necessary to ensure that the hearing and speech impaired have access to basic telephone service is borne by all the citizens of the State.

(b) The following terms and phrases when used in G.S. 143B-216.6 and G.S. 143B-216.7 have the meaning ascribed to them in this subsection, except where the context clearly indicates a different meaning:

(1) 'Deaf person' means an individual who is unable to hear and understand oral communication, with or without the assistance of amplification devices.

(2) 'Hearing impaired person' means an individual who has suffered a permanent hearing loss which is severe enough to necessitate the use of amplification devices to hear oral communication.

(3) 'Speech impaired person' means an individual who has suffered a permanent loss of oral communication ability which prohibits normal usage of a standard telephone handset.

(4) 'Telecommunications device' or 'telecommunications device for the deaf, hearing or speech impaired' or 'TDD' means a keyboard mechanism attached to or in place of a standard

telephone by some coupling device, used to transmit or receive signals through telephone lines.

(5) 'Ring signaling device' means a mechanism such as a flashing light which visually indicates that a communication is being received through a telephone line. This phrase also means mechanism such as adjustable volume ringers and buzzers which audibly and loudly indicate an incoming telephone communication.

(6) 'Volume control handset' means a telephone handset or other telephone listening device which has an adjustable control for increasing the volume of the sound being produced by the telephone receiving unit.

(7) 'Dual party relay system' means a procedure whereby a deaf, hearing or speech impaired TDD user can communicate with an intermediary party, who then orally relays the first party's message or request to a third party, or vice versa.

(8) '911 system' means the emergency telephone number system.

(9) 'Utilities Commission' or 'Commission' means the State agency established pursuant to Chapter 62 of the General Statutes.

(10) 'Telephone company' means every corporation, company, association, joint stock association, partnership, and person and their lessees, trustees, or receivers appointed by any court whatsoever, and every city or town owning, operating, or managing any telephone line or part of a telephone line used in the conduct of the business of affording telephonic communication service for hire within this State.

(11) 'Telephone line' includes conduits, ducts, poles, wires, cables, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities, and all devices, including radio and other advancements of the art of telephony, real estate, easements, apparatus, property, and routes used and operated to facilitate the business of affording telephonic communication services to the public for hire within this State.

"*§ 143B-216.7. North Carolina Council for the Hearing Impaired; communication services program establishment; administration; trust fund.*--(a) There is established within the Department of Human Resources a communications services program for the hearing and speech impaired, to be administered, developed, and implemented by

the North Carolina Council for the Hearing Impaired, pursuant to G.S. 143B-213.

(b) In addition to the duties provided in G.S. 143B-216, the Council shall:

(1) Serve as a forum for the discussion and review of deaf, hearing impaired, and speech impaired communication problems;

(2) Exercise all power necessary, required, or incidental to developing and implementing the functions and purposes mandated by this section;

(3) Make contracts of every type and nature and execute all instruments necessary to implement the provisions of this section;

(4) Develop programs for the delivery or improvement of communication services to the deaf, hearing impaired, and speech impaired, and develop a financial evaluation procedure to ensure that the communication devices made available by this section are provided by this section only to those deaf, hearing impaired, and speech impaired persons whose financial resources would not enable them to purchase these devices;

(5) Coordinate such programs with the appropriate municipalities, counties, State agencies, and nonprofit organizations and coordinate such programs with affected telephone companies;

(6) Apply for, contract for, receive, and expend for the purposes of this section any appropriation, grant, gift, or donation from the Federal Government or any other public or private source;

(7) Devise procedures for certifying persons as deaf, hearing impaired, or speech impaired. Such certification process shall include a statement attesting to such impairment by a licensed physician, audiologist, speech pathologist, or appropriate State or federal agency; and

(8) Prescribe and promulgate necessary rules consistent with the provisions of this section.

(c) The Council or its agent shall develop and implement a schedule for the purchase and distribution of the devices and equipment required by this section. In no event may more than one-third of the total number of devices estimated to be needed for this program be purchased or distributed in fiscal year 1987-88.

(d) There is established within the Office of State Treasurer the Telecommunication Devices for the Deaf Trust Fund, to be used as a nonreverting fund for the purposes of this section.

Monies in this fund shall include any appropriations authorized by the Legislature, grants from other governmental entities, and any contributions or donations received by the Council.

Monies in this fund that are not necessary to meet current obligations authorized by this section shall be invested by the State Treasurer as provided by law. Interest earned from such investment shall be deposited in the fund and available to the Council for endeavors relating to the program authorized by this section.

The Council may expend the monies residing in this fund only for the purchase, distribution and maintenance of equipment as discussed in this section, subject to the fiscal and budgetary provisions of general law. Training of recipients in the use of this equipment may be paid for with these funds, but the Council's operating expenses may not be paid with these funds.

(e) The Council is directed to establish characteristics and performance standards for TDD's, ring signaling devices, and volume control handsets, and shall select equipment to be purchased for distribution to qualifying recipients.

The Council is encouraged to require the purchase of equipment required by this section on a competitive bid basis, so that the lowest possible per unit price may be obtained on the equipment selected for purchase.

The equipment discussed in this section shall be subleased at no cost to qualifying recipients for a period of time not exceeding five years. Nothing herein shall be construed to prevent the renewal of any lease previously executed with a qualified recipient.

(f) The central communications office of each county sheriff's department shall purchase and continually operate at least one TDD:

(1) The central communications office of each police department and firefighting agency in municipalities with a population of 25,000 to 250,000 shall purchase and continually operate at least one TDD.

(2) The central communications office of each police department and firefighting agency in municipalities with a population exceeding 250,000 persons shall purchase, and continually operate, at least two TDD's.

At least one hospital in each county shall purchase and continually operate at least one TDD.

Each 911 emergency number system and each agency receiving automatically routed calls through a 911 emergency system shall purchase and continually operate at least one TDD.

Each public safety office, health care provider, and 911 emergency number system required to obtain a TDD pursuant to this section shall continually operate and staff such equipment on a 24-hour basis:

(1) Offices and organizations required to purchase TDD's pursuant to this section may buy such equipment from the Council, or from private vendors who can supply devices identical to or compatible with those selected by the Council at a lower price than the Council offers.

(2) The purchase price imposed on such offices and organizations by the Council shall not exceed the actual per unit cost including shipping and storage charges.

(g) The Council shall review the potential benefits and problems associated with implementation of a dual party relay system in North Carolina.

While deliberating the feasibility of such a system for this state, the Council shall consider or review:

(1) The public sector and private sector costs which would be incurred;

(2) What geographic regions of the State should have this system available to the deaf, hearing impaired, and speech impaired;

(3) What private sector businesses should be asked to participate;

(4) How this system should be funded;

(5) Any dual party relay systems currently operating in other states; and

(6) A proposed schedule for implementing any recommendations made pursuant to this section.

The Council shall report its findings concerning a dual party relay system to the presiding officers of the Legislature by May 1, 1988."

Sec. 2. Of the funds appropriated by Section 2 of Chapter 738, Session Laws of 1987, to the office of the State Treasurer for the 1987-88 fiscal year, the sum of two hundred thousand dollars ($200,000) shall be used to establish the Telecommunications Devices for the Deaf Trust Fund, established by Section 1 of this act.

Sec. 3. This act shall become effective September 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 592 **CHAPTER 839**

AN ACT TO AUTHORIZE AREA AUTHORITIES TO CONTRACT WITH HEALTH MAINTENANCE ORGANIZATIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-141 is amended by adding a new subsection to read:

"(c) The area authority may contract with a health maintenance organization, certified and operating in accordance with the provisions of Chapter 57B of the General Statutes for the area authority, to provide mental health, mental retardation, or substance abuse services to enrollees in a health care plan provided by the health maintenance organization. The terms of the contract must meet the requirements of all applicable State statutes and rules of the Commission and Secretary governing both the provision of services by an area authority and the general and fiscal operation of an area authority and the reimbursement rate for services rendered shall be based on the usual and customary charges paid by the health maintenance organization to similar providers. Any provision in conflict with a State statute or rule of the Commission or the Secretary shall be void; however, the presence of any void provision in that contract does not render void any other provision in that contract which is not in conflict with a State statute or rule of the Commission or the Secretary. Subject to approval by the Secretary and pending the timely reimbursement of the contractual charges, the area authority may expend funds for costs which may be incurred by the area authority as a result of providing the additional services under a contractual agreement with a health maintenance organization."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 604 **CHAPTER 840**

AN ACT TO PROVIDE FOR LICENSING OF COTTON WAREHOUSES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 106 of the General Statutes is amended by adding a new Article to read:

"Article 38A.

"Cotton Warehouse Act.

"§ *106-451.6. Short title.*--The provisions of this Article may be known and designated as the 'North Carolina Cotton Warehouse Act'.

"§ *106-451.7. Definitions.*--As used in this Article, unless the context otherwise requires:

(1) 'Board' means the North Carolina Board of Agriculture.

(2) 'Commissioner' means the North Carolina Commissioner of Agriculture.

(3) 'Person' means an individual, partnership, firm, corporation, association, or two or more people having a joint or common interest.

(4) 'Producer' means a farmer or grower of cotton.

(5) 'Receipt' means a warehouse receipt issued pursuant to this Article.

(6) 'Warehouse' means any building, structure or other protected enclosure in which cotton is or may be stored for hire.

(7) 'Warehouseman' means a person licensed by North Carolina Department of Agriculture to engage in the business of storing cotton for hire.

"§ *106-451.8. Board of Agriculture makes rules.*--The Board is empowered to make and enforce such rules and regulations as may be necessary to make effective the provisions of this Article, including fees for inspection of warehouses.

"§ *106-451.9. Commissioner of Agriculture to administer and enforce Article.*--The Commissioner of Agriculture shall have the following powers and duties under this Article:

(1) To administer and enforce the provisions of this Article.

(2) To assign and reassign the administrative and enforcement duties and functions assigned to him in this Article to one or more divisions within the Department of Agriculture.

(3) To delegate to any division head and other officer or employee of the Department of Agriculture any of the powers and duties given to the Department by statute or by rules promulgated pursuant to this Article.

(4) To investigate and determine upon application, whether the warehouse is suitable for the proper storage of cotton.

(5) To conduct investigations of the daily operations of every State licensed warehouse.

(6) To prescribe, within the limits of this Article, the duties of the warehousemen with respect to their care of and responsibility for cotton stored in licensed warehouses.

(7) To issue licenses for the operation of warehouses under this Article.

(8) To cooperate or enter into formal agreements with any other agency of this State or its subdivisions or with any agency of any other state or of the federal government for the purpose of administering or enforcing any of the provisions of this Article.

"§ *106-451.10. Licensing of warehousemen.*--(a) The Commissioner, or his designated representative, is authorized, upon application to him, to issue to any person a license for the conduct of a cotton warehouse in accordance with this Article and such rules and regulations as may be made hereunder: Provided, that each such warehouse be found suitable for the proper storage of cotton, and that such person agree, as a condition to the granting of the license, to comply with and abide by all terms of this Article and the rules and regulations prescribed hereunder. All licenses issued pursuant to this Article shall expire on December 31 of each year. Any warehouseman may renew his license by filing a renewal application with the Commissioner on or before January 1 of each year.

(b) Each license application and license renewal application must include:

(1) A current financial statement prepared by a certified public accountant;

(2) Proof of the bond required by G.S. 106-451.11;

(3) A license fee of one hundred dollars ($100.00); and

(4) A certificate of insurance if insurance is required.

"§ *106-451.11. Bond required.*--(a) Any person applying for a license to conduct a warehouse pursuant to this Article shall, as a condition to the granting thereof, execute and file with the Commissioner a good and sufficient bond to the State to secure the faithful performance of his obligations as a warehouseman. Said bond shall be in such form and amount, shall have such surety or sureties, subject to service of process in suits on the bond within the State and shall contain such terms and conditions as the Commissioner may prescribe to carry out the purposes of this Article. Whenever the Commissioner, or his designated representative, shall determine that a previously approved bond is, or for any cause has become, insufficient, he may require an additional bond or bonds to be given by the warehouseman concerned, conforming with the requirements of this section, and unless the same be given within the time fixed by a written demand therefor the license of such warehouseman may be suspended or revoked.

(b) The Board may require as a condition to the granting of a license that the warehouseman maintain casualty insurance on the cotton stored in a warehouse licensed under this Article.

"§ *106-451.12. Action on bond by person injured.*--Any person injured by the breach of any obligation to secure which a bond is given, under the provisions of this Article, shall be entitled to sue on

the bond in his own name in any court of competent jurisdiction to recover the damages he may have sustained by such breach.

"§ *106-451.13. Suspension and revocation of license.*--The Commissioner, or his designated representative, may, after opportunity for hearing has been afforded to the licensee concerned, suspend or revoke any license to any warehouseman conducting a warehouse under this Article, for any violation of or failure to comply with any provision of this Article or of the rules and regulations made hereunder, or upon the ground that unreasonable or exorbitant charges have been made for services rendered.

"§ *106-451.14. License to classify, grade and weigh cotton stored.*--The Commissioner or his designated representative, may upon presentation of satisfactory proof of competency, issue to any person a license to inspect, sample, or classify any cotton stored or to be stored in a warehouse licensed under this Article, according to condition, grade, or otherwise and to certificate the condition, grade, or other class thereof, or to weigh the same and certificate the weight thereof, or both to inspect, sample, or classify and weigh the same and to certificate the condition, grade, or other class and the weight thereof, upon condition that such person agree to comply with and abide by the terms of this Article and of the rules and regulations prescribed hereunder.

"§ *106-451.15. Suspension and revocation of license to classify, grade or weigh.*--Any license issued to any person to inspect, sample, or classify, or to weigh cotton under this Article may be suspended or revoked by the Commissioner or his designated representative, whenever he is satisfied, after opportunity afforded to the licensee concerned for a hearing, that such licensee has failed to inspect, sample, or classify, or to weigh the cotton correctly, or has violated any of the provisions of this Article or of the rules and regulations prescribed hereunder or that he has used his license or allowed it to be used for any improper purpose whatever.

"§ *106-451.16. Delivery to warehouse presumed for storage.*--Any cotton delivered to a warehouse under this Article shall be presumed to be delivered for storage.

"§ *106-451.17. Deposit of cotton deemed subject to Article.*--Any producer who deposits cotton for storage in a warehouse licensed under this Article shall be deemed to have deposited the same subject to the provisions of this Article and the rules and regulations prescribed hereunder.

"§ *106-451.18. Receipts for cotton stored.*--For all cotton stored in a warehouse licensed under this Article original receipts shall be issued by the warehouseman conducting the same, but no receipt shall be issued except for cotton actually stored in the warehouse at the time of the issuance thereof.

"§ *106-451.19. Contents of receipts.*--Every receipt issued for cotton stored in a warehouse licensed under this Article shall embody within its written or printed terms:

(1) the location of the warehouse in which the cotton is stored;

(2) the date of issue of the receipt;

(3) the consecutive number of the receipt;

(4) a statement whether the cotton received will be delivered to the bearer, to a specified person, or to a specified person or his order;

(5) the rate of storage charges;

(6) a description of the cotton received, showing the quantity thereof and a description of each bale by mark, number, or other means of identification and the weight of each bale;

(7) the grade or other classification of the cotton received and the standard or description in accordance with which such classification has been made;

(8) a statement that the receipt is issued subject to this Article and the rules and regulations prescribed hereunder;

(9) if the receipt be issued for cotton of which the warehouseman is owner, either solely or jointly or in common with others, the fact of such ownership;

(10) a statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien; and

(11) signature of the warehouseman, which may be made by his authorized agent.

"§ *106-451.20. Issuance of further receipt with original outstanding.*--While an original receipt issued under this Article is outstanding and uncanceled by the warehouseman issuing the same no other or further receipt shall be issued for the cotton covered thereby or for any part thereof, except that in the case of a lost or destroyed receipt a new receipt, upon the same terms and subject to the same conditions and bearing on its face the number and date of the receipt in lieu of which it is issued, may be issued.

"§ *106-451.21. Delivery of products stored on demand; conditions to delivery.*--A warehouseman conducting a warehouse licensed under this Article, in the absence of some lawful excuse, shall, without unnecessary delay, deliver the cotton stored therein upon a demand

made either by the holder of a receipt for such cotton or by the depositor thereof if such demand be accompanied with (a) an offer to satisfy the warehouseman's lien; (b) an offer to surrender the receipt, if negotiable, with such endorsements as would be necessary for the negotiation of the receipt; and (c) a readiness and willingness to sign, when the cotton is delivered, an acknowledgment that it has been delivered if such signature is requested by the warehouseman.

"§ *106-451.22. Cancellation of receipt on delivery of cotton stored.*--A warehouseman conducting a warehouse licensed under this Article shall plainly cancel upon the face thereof each receipt returned to him upon the delivery by him of the cotton for which the receipt is issued.

"§ *106-451.23. Records; report to Commissioner; compliance with provisions of Article, rules, and regulations.*--Every warehouseman conducting a warehouse licensed under this Article shall keep in a place of safety complete and correct records of all cotton stored therein and withdrawn therefrom, of all warehouse receipts issued by him, and of the receipts returned to and canceled by him, shall make reports to the Commissioner concerning such warehouse and the condition, contents, operation, and business thereof in such form and at such times as he may require, and shall conduct said warehouse in all other respects in compliance with this Article and the rules and regulations made hereunder.

"§ *106-451.24. Examination of books, records, etc., of warehousemen.*--The Commissioner is authorized through officials, employees, or agents of the Department of Agriculture designated by him to examine all books, records, papers, and accounts of warehouses and all cotton stored in warehouses licensed under this Article and of the warehousemen conducting such warehouses relating thereof.

"§ *106-451.25. Inspectors to be bonded.*--Each inspector employed by the Commissioner for the inspection and examination of warehouses licensed under this Article shall be bonded in an amount not less than five thousand dollars ($5,000), or in such greater amount as the Commissioner deems necessary, for the faithful performance of his duties and for the proper accounting of all funds coming into his hands. The cost of the bond shall be paid by the Department of Agriculture.

"§ *106-451.26. Liability of officials and employees.*--No action may be brought in any court of this State against any State official or State employee on account of any act or omission in connection with the

administration of this Article unless it be shown that such official or employee acted in bad faith and with corrupt intent.

"§ *106-451.27. Use of income from Warehouse Fund to administer.*--Income from the Warehouse Fund established under G.S. 106-435 may be used for the administration of this Article.

"§ *106-451.28. Violation a misdemeanor; fraudulent or deceptive acts.*--Any person who shall violate any provision of this Article or who shall engage in any fraudulent or deceptive practice in the operation of a warehouse licensed under this Article shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than ten thousand dollars ($10,000) or double the value of the cotton involved, whichever is more, or imprisoned for not more than two years, or both, in the discretion of the court."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 738 **CHAPTER 841**

AN ACT TO CREATE THE NORTH CAROLINA HOUSING TRUST FUND AND TO AUTHORIZE THE EXPENDITURE OF OIL OVERCHARGE FUNDS.

Whereas, the State of North Carolina has a commitment to preserve and create decent and affordable housing for all its citizens; and

Whereas, the State of North Carolina intends to maintain a healthy housing industry to provide safe, sanitary and energy-efficient housing for all the people of the State; and

Whereas, there exists in the State of North Carolina a serious shortage of decent, safe, sanitary and energy-efficient residential housing available at affordable prices to low and moderate income families; and

Whereas, fourteen percent (14%) of the State's occupied housing units have at least one housing deficiency, rendering them substandard and a threat to the health and safety of our citizens; and

Whereas, 710,000 families in North Carolina live in housing that is either substandard or too costly; and

Whereas, private enterprise and investment in North Carolina have not been able to produce, without assistance, the needed construction and rehabilitation of decent, safe, sanitary and energy-efficient residential housing at low prices or rents which low and

moderate income families can afford; and

Whereas, the problem reaches far greater proportions as a result of prior and proposed federal budget cuts which result in the near elimination of federal housing assistance; and

Whereas, this federal government is transferring to State government the responsibility for almost all of its housing programs; and

Whereas, the State of North Carolina lacks the financial resources through its taxing authority to meet these serious and rapidly growing housing needs; and

Whereas, the State of North Carolina has received oil overcharge funds in certain judicial proceedings, which funds are available to supplement, rather than supplant other State funds, and which funds may be used for energy-related restitutionary purposes within the limitations imposed by the relevant judicial decrees; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. A new Chapter 122E is added to the General Statutes to read:

"§ *122E-1. Short title.*--This Chapter shall be known and may be cited as the 'North Carolina Housing Trust and Oil Overcharge Act.'

"§ *122E-2. Definitions.*--As used in this Chapter: (1) The term 'substandard unit' means a housing unit which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, unsanitary or unsafe conditions, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, or has an adverse effect upon the public health, safety, morals or welfare of its inhabitants.

(2) The term 'Partnership' means the North Carolina Housing Partnership.

(3) The term 'agency' means the North Carolina Housing Finance agency.

(4) The term 'Fund' means the North Carolina Housing Trust Fund.

(5) The term 'Treasurer' means the North Carolina State Treasurer.

(6) the term 'affordable housing unit' means a unit for which an occupant is paying no more than thirty percent (30%) of gross monthly household income for rent and utilities.

(7) The term 'Stripper Well Litigation Funds' means funds received by North Carolina, and all interest and other income generated by such funds, pursuant to the Settlement Agreement that was approved by Order of the Court, dated July 7, 1986, in *In re: The Department of Energy Stripper Well Exemption Litigation* M.D.L. No. 378 (D. Kan.).

(8) The term 'Diamond Shamrock Litigation Funds' means funds received by North Carolina, and all interest and other income generated by such funds, pursuant to the Order of the Court, dated June 6, 1986, in *Diamond Shamrock Refining and Marketing Co. v. Standard Oil Co.*, Civil Action No. C2-84-1432 (S.D. Ohio).

"§ *122E-3. North Carolina Housing Trust Fund.*--(a) There is established a North Carolina Housing Trust Fund, separate and distinct from the General Fund.

(b) The Fund shall consist of monies received under this act and any other sources of revenue, public or private, dedicated for inclusion in the Fund.

(c) The State Treasurer shall serve as trustee for the Fund. The Treasurer shall invest the North Carolina Housing Trust Fund revenues he receives as provided in G.S. 147-69.2(b). The Treasurer shall provide the Agency with quarterly and annual reports of Fund revenues and interest earnings.

"§ *122E-4. North Carolina Housing Partnership created; compensation; organization.*--(a) The North Carolina Housing Partnership is hereby created within the North Carolina Housing Finance Agency to establish policy, promulgate rules and regulations, and oversee the operation of the Fund. The Partnership shall be constituted to coordinate private enterprise and investment with public efforts to address the serious shortage of decent, safe, and affordable housing for low and moderate income citizens of this State.

(b) The Partnership shall consist of 13 members as follows:

(1) The Executive Director of the North Carolina Housing Finance Agency shall serve ex officio;

(2) The Secretary of the Department of Natural Resources and Community Development or his designee shall serve ex officio;

(3) The State Treasurer or his designee shall serve ex officio;

(4) In accordance with G.S. 120-121, five members shall be appointed by the General Assembly upon the recommendation of the President of the Senate, provided that one member shall be a representative of the homebuilding industry, one member shall be a low income

housing advocate, and one member shall be a representative of the League of Municipalities;

(5) In accordance with G.S. 120-121, five members shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, provided that one member shall be a representative of the real estate lending industry; one member shall be a representative of a non-profit housing development corporation; and one member shall be a resident of low income housing.

The members of the Partnership shall elect one of their members to serve as Chairman for a term of one year. Seven members of the Partnership shall constitute a quorum. All members shall have the right to vote on all issues before the Partnership.

(c) Members of the Partnership shall serve for three year terms. Initial terms shall begin on September 1, 1987. Appointed members shall serve until their successors are appointed and qualify.

(d) Vacancies in the offices of any appointed members shall be filled in accordance with G.S. 120-122 for the remainder of the unexpired term. No vacant office shall be included in the determination of a quorum. No vacancy in office shall impair the rights of the members to exercise all rights and conduct the official business of the Partnership.

(e) Members of the Partnership shall receive as compensation for each day spent on work for the Partnership such actual expenses as may be incurred for such travel and subsistence in the performance of official duties and such per diem as is allowed by law for other such State boards and commissions. Members shall not receive a salary for the performance of their duties as members.

(f) The Partnership shall have the following powers and duties:

(1) To promulgate rules and regulations governing all policy matters relating to the implementation of all programs for uses of the Fund and the Partnership's oversight of the Agency's administration of the Fund.

(2) To promote the development of a coordinated State low income housing plan.

(3) To obtain necessary information from other State agencies concerning housing; and

(4) To allocate monies contained in the Fund.

(g) The Partnership may appoint an Executive Director. The Executive Director shall be empowered to employ such additional professional and clerical assistance as the Partnership may deem necessary to administer the provisions of this Chapter. All employees

of the Partnership, other than the Executive Director, shall be compensated in accordance with the salary schedules adopted pursuant to the State Personnel Act. The Partnership and the Agency may enter into agreements for the use of Agency staff to assist the Partnership and the provision of administrative support for the Partnership by the Agency.

(h) The Partnership shall meet quarterly and can meet more regularly upon the call of the Chairman or upon written request of four members.

"§ *122E-5. Administration.*--(a) The North Carolina Housing Finance Agency shall administer the Fund in accordance with the policies, rules and regulations promulgated by the Partnership.

(b) The Agency's responsibilities shall include:

(1) The Management of the overall program for the use of the fund;

(2) Development of program design in accordance with policies established by the Partnership;

(3) Development and management of a selection system in accordance with policies established by the Partnership;

(4) Provision of technical assistance to prospective applicants; and

(5) Monitoring of projects to ensure compliance with applicable State and federal laws and regulations and relevant court decisions.

(6) The Agency shall promulgate rules and regulations governing the administration of the Fund and its overall program for use of the Fund in accordance with the policies, rules and regulations promulgated by the Partnership.

(c) In administering the Fund, the Agency shall maintain a separate account for and shall keep separate records regarding the principal and expenditures made from the Stripper Well Litigation funds and the Diamond Shamrock Litigation funds in order to assure the proper expenditure and reporting of these funds to the respective courts and to the United States Department of Energy.

(d) The Agency shall file all required reports with the appropriate courts in the Stripper Well Litigation and in the Diamond Shamrock Litigation, and otherwise shall fully comply with all relevant court orders. The Agency also shall file the report of planned expenditures which is required under Paragraph II. B. 3. f. iv of the Final Settlement Agreement in the Stripper Well Litigation prior to its first expenditure of Stripper Well Litigation Funds.

"§ *122E-6. Uses of funds.*--Funds from the Fund shall be used to increase the supply of decent, affordable and energy-efficient housing for low, very low, and moderate income residents of the State as defined in G.S. 122E-2. Such funds shall be used to finance, in whole or in part, projects and activities eligible under this section. The Agency shall make available loans, grants, interest reduction payments, or other comparable forms of assistance to eligible applicants. Provided, however, that with regard to those funds of the Fund which are Stripper Well Litigation Funds or Diamond Shamrock Funds, grants shall be from both the principal and income generated by the principal of such Funds so that all such Funds will be expended within a reasonable period of time. Provided, further, that with regard to that portion of the Fund which is derived from the appropriation of State funds, the amount of grants to be made in any fiscal year shall be limited to the amount of income generated by the principal of that portion of the Fund.

(a) Beneficiaries.

(1) The Partnership shall ensure that the Agency's program for uses of monies from the Fund directly benefit low, very low and moderate income persons and families as set forth in subsections (2), (3), and (4) below.

(2) The Partnership shall ensure that at least thirty percent (30%) of the total funds from the Fund eligible for expenditure by the Agency in any fiscal year directly benefit persons and families whose incomes do not exceed thirty percent (30%) of the median family income for the local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development.

(3) The Partnership shall be authorized to allocate up to thirty percent (30%) of the total funds from the Fund for the benefit of persons and families whose incomes do not exceed fifty percent (50%) of the median family income for the local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development; provided, however, these funds may also be directed for the benefit of the persons and families defined in subsection (2).

(4) The Partnership shall ensure that no more than forty percent (40%) of the total funds from the fund eligible for expenditure by the Agency in any fiscal year directly benefit persons and families whose incomes do not exceed eighty percent (80%) of the median family income for the

local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development.

(b) Eligible Projects.

(1) An eligible project consists of one or more residential buildings containing similarly constructed units, the site on which the building(s) is located and any functionally related facilities. Multiple buildings may constitute a project only if bounded together as a result of proximate location, or common ownership and financing.

(2) Projects which provide for the construction or rehabilitation of rental projects must contain contractual guarantees to ensure that at least twenty percent (20%) of the units are occupied by persons and families defined in G.S. 122E-6(a) (2) and (3) for a period of time following the award of grants or loan funds from the Fund, said period to be not less than 10 years, and shall be established by the rules and regulations promulgated by the Partnership and are affordable housing units as defined in G.S. 122E-2(9).

(c) Eligible Uses for State Appropriated Funds.

Eligible activities include, but are not limited to the following:

(1) Rehabilitation, including weatherization, of sub-standard housing units;

(2) Assistance for costs of necessary studies, surveys, plans and permits, engineering, legal and architectural and other technical services;

(3) new construction, including costs of land acquisition and site preparation;

(4) Assistance for the construction or rehabilitation of shelters for the homeless;

(5) Assistance in the development of manufactured housing sites which constitute eligible projects as defined in subsection (b) of this section. The Agency may contract with outside organizations to provide such assistance; and

(6) Such other programs which increase the supply of decent and affordable housing for low, very low, and moderate income persons which the Partnership shall deem appropriate to meet the purposes stated in this section.

(d) Eligible Uses for Stripper Well Litigation Funds and Diamond Shamrock Litigation Funds.

(1) Eligible uses for the Stripper Well Litigation funds shall be those uses permitted under Paragraph II.B.3.f.ii. of the Settlement Agreement that was approved by Order of the

Court, dated July 7, 1986, including, but not limited to, those residential energy-related uses which are identified in Exhibit J to said Settlement Agreement.

(2) Eligible uses for the Diamond Shamrock Litigation funds shall be those uses permitted under Exhibit B to the Order of the Court, dated June 6, 1986, including but no limited to those residential energy-related uses which are identified in Attachment C to Exhibit B to said Order.

"§ *122E-7. Eligible applicants.*--Eligible applicants shall include units of State and local governments including municipal corporations, for profit and nonprofit housing developers. Provided, however, that the Partnership's rules and regulations shall ensure an equitable distribution of Fund funds based upon population and low and moderate income housing needs across the State.

"§ *122E-8. Allocation of Funds.*--(a) Monies within the Fund shall be allocated to eligible applicants under this Chapter by the Agency, in accordance with funding cycles established at least annually. The Partnership shall establish rules and regulations with full public input, including at least one public hearing for which adequate notice is provided in a timely manner. These rules and regulations shall establish general policies governing the eligibility of applicants, application procedures, project eligibility requirements, and the criteria and standards for awarding grants and loans. Such rules and regulations shall be adopted within 270 days from the effective date of this Chapter.

(b) The Agency shall promulgate rules and regulations governing the review of applications for assistance and the awarding of grants or loans under this Chapter in accordance with the rules and regulations adopted pursuant to subsection (a) above. The rules and regulations shall provide that if an application is rejected, the Agency shall detail in writing the reasons for the rejection.

(c) The Agency shall give priority to applications providing for:

(1) the improvement of existing housing stock which is affordable for low and very low income families;

(2) the construction of housing units for very low income families; and

(3) the leveraging of Fund monies by combination with other private or governmental loan grant or bond financing programs.

(d) The Agency shall also give priority to applications which include provisions such as:

1. interest rates and loan terms more favorable than those conventionally offered;

2. developer contributions to project costs;
3. local government contributions to project costs, including infrastructure improvements, contributions of publicly owned land for housing development, and the provision of funds for such services as day care and job training;
4. coordination with other housing and/or infrastructure investments in the community;
5. provision of housing to the disabled, single parent households, or rurally isolated households; or
6. provision of housing to persons whose current housing fails to meet basic standards of health and safety and who have little prospect of improving the condition of their housing except by residing in an eligible project receiving assistance under this Chapter.

"§ *233E-9. Displacement.*--In establishing criteria for G.S. 122E-8(a), the Agency shall give special attention to designing protections to provide that any lawful occupants who live in a project as defined in G.S. 122E-6(b) prior to rehabilitation or demolition shall not be displaced as a result of such activity, other than temporarily, in which case suitable relocation arrangements shall be provided. The Agency shall promulgate rules concerning acquisition of property and relocation."

Sec. 2. All of the funds, and all of the interest on the funds, received by the State of North Carolina to date from the Stripper Well Litigation are allocated from the Special Reserve for Oil Overcharge Funds, created in Section 182 of Chapter 1014 of the 1985 Session Laws, Regular Session 1986, to the North Carolina Housing Trust Fund. It is the intent of the General Assembly that an equitable portion of future Stripper Well Litigation funds be distributed to programs and beneficiaries other than the Housing Trust Fund. Provided, however, that no funds from the Diamond Shamrock Litigation Fund are allocated to the North Carolina Housing Trust Fund.

Sec. 3. Staff costs, equipment, and expenses for the North Carolina Housing Partnership, not to exceed one hundred thousand dollars ($100,000) per fiscal year, shall be paid for from nontax revenues of the Housing Finance Agency for each fiscal year of the 1987-89 biennium.

Sec. 4. G.S. 120-123(34b) is rewritten to read:

"(34b) The North Carolina Housing Partnership, as established by G.S. 122E-4."

Sec. 5. Article 3B of Chapter 147 of the General Statutes is repealed.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 841 **CHAPTER 842**

AN ACT TO PROVIDE FOR THE APPOINTMENT OF THREE ADDITIONAL MEMBERS OF THE NORTH CAROLINA MUSEUM OF ART.

The General Assembly of North Carolina enacts:

Section 1. G.S. 140-5.13(b) is amended in the first sentence by deleting the phrase "22 members" and substituting the phrase "25 members".

Sec. 2. G.S. 140-5.13(b)(2), (3), and (4) are amended by deleting the phrase "three members" each time it appears and substituting the phrase "four members".

Sec. 3. Notwithstanding G.S. 140-5.13(d), the three new members shall be elected to the Board of Trustees by October 1, 1987, and the initial terms of each shall be as follows:

(1) The member elected by the North Carolina Art Society, Incorporated, shall serve an initial term expiring June 30, 1989.

(2) The member elected by the North Carolina Museum of Art Foundation, Incorporated, shall serve an initial term expiring June 30, 1991.

(3) The member elected by the Board of Trustees of the North Carolina Museum of Art shall serve an initial term expiring June 30, 1993.

Any vacancy occurring in the initial membership of the three members added by this act to the Board of Trustees prior to the expiration of a term of office shall be filled by the same authority and in the same manner as the vacating member was chosen and the successor member shall serve for the remainder of the unexpired term of the vacating member.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1032 **CHAPTER 843**

AN ACT TO PROVIDE FOR THE ENFORCEABLE DESIGNATION OF HANDICAPPED PARKING SIGNS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-37.6(d) reads as rewritten:

"(d) Designation of Parking Places. Designation of parking spaces for the physically handicapped and the visually impaired on streets and in other areas, including public vehicular areas specified in G.S. 20-4.01(32), shall be by the use of sign R7-8 for multiple parking spaces as shown in the Manual on Uniform Traffic Control Devices, or sign R7-8a for single parking spaces as shown in the N. C. Department of Transportation Supplement to the Manual on Uniform Traffic Control Devices. Nonconforming signs in use prior to July 1, 1979, shall not constitute a violation of G.S. 20-37.6(e)(4) during their useful lives, which shall not be extended by other means than normal maintenance. These nonconforming signs shall be removed and be replaced with conforming signs before January 1, 1989; provided that a sign or symbol painted on the surface of a parking space need not be removed when a conforming sign is erected."

Sec. 2. G.S. 20-37.6 is amended by adding a new subsection (d1) to read:

"(d1) Unique Properties. The owner of private property which contains a public vehicular area, on which is to be designated one or more parking spaces for the physically handicapped and the visually impaired, may file a written certification, on a form supplied by the Department of Transportation, that signs conforming to G.S. 20-37.6(d) would not be compatible with the unique visual character of the property. Upon filing of the certification with the Department of Transportation, the owner may cause to be erected signs of materials and colors different from signs R7-8 and R7-8a. The signs shall be the same size and shape as signs R7-8 or R7-8a, as appropriate, with the same letters, words, numbers and symbols. Such signs shall be deemed to conform to G.S. 20-37.6(d)."

Sec. 3. This act shall become effective on October 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1106 **CHAPTER 844**

AN ACT TO PROVIDE THAT A CONSENT JUDGMENT OF EQUITABLE DISTRIBUTION CAN BE ENTERED PRIOR OR SUBSEQUENT TO THE ENTRY OF A JUDGMENT OF ABSOLUTE DIVORCE, AND TO PERMIT AN ACTION FOR EQUITABLE DISTRIBUTION TO BE INSTITUTED, DISCOVERY TO BE OBTAINED, AND TEMPORARY ORDERS RELATING TO EQUITABLE DISTRIBUTION TO BE ENTERED PRIOR TO THE ENTRY OF A JUDGMENT OF ABSOLUTE DIVORCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50-21 is rewritten to read:

"§ *50-21. Procedures in actions for equitable distribution of property.*--(a) At any time after a husband and wife begin to live separate and apart from each other, a claim for equitable distribution may be filed, either as a separate civil action, or together with any other action brought pursuant to Chapter 50 of the General Statutes, or as a motion in the cause as provided by G.S. 50-11(e) or (f). During the pendency of any such action for equitable distribution, discovery may proceed, and the court may enter temporary orders as appropriate and necessary for the purpose of preventing the disappearance, waste, or destruction of marital or separate property or to secure the possession thereof.

A judgment for an equitable distribution shall not be entered prior to entry of a decree of absolute divorce, except for a consent judgment, which may be entered at any time during the pendency of the action.

Real or personal property located outside of North Carolina is subject to equitable distribution in accordance with the provisions of G.S. 50-20, and the court may include in its order appropriate provisions to ensure compliance with the order of equitable distribution.

(b) For purposes of equitable distribution, marital property shall be valued as of the date of the separation of the parties.

(c) Nothing in G.S. 50-20 or this section shall restrict or extend the right to trial by jury as provided by the Constitution of North Carolina."

Sec. 2. G.S. 50-20(k) is rewritten to read:

"(k) The rights of the parties to an equitable distribution of marital property are a species of common ownership, the rights of the respective parties vesting at the time of the parties' separation."

Sec. 3. G.S. 50-11(f) is rewritten to read:

"(f) An absolute divorce by a court that lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property shall not destroy the right of a spouse to an equitable distribution of marital property under G.S. 50-20 if an action or motion in the cause is filed within six months after the judgment of divorce is entered. The validity of such divorce may be attacked in the action for equitable distribution."

Sec. 4. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1218 **CHAPTER 845**

AN ACT TO PERMIT THE DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY TO CONTRACT TO PROVIDE FIRE PROTECTION IN THE VICINITY OF BUTNER.

The General Assembly of North Carolina enacts:

Section 1. Part 1 of Article 6 of Chapter 122C of the General Statutes is amended by adding a new section to read:

"§ *122C-411. Fire protection contracts.*--The Department of Crime Control and Public Safety may contract with industries in the vicinity of Butner to provide fire protection to those industries. Those contracts shall provide for a payment by any contracting industry calculated on the basis of twenty cents (20¢) per one hundred dollars ($100.00) of assessed valuation."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1745 **CHAPTER 846**

AN ACT TO AUTHORIZE THE PESTICIDE BOARD TO CHARGE A FEE OF UP TO TEN DOLLARS TO MAKE THE CERTIFICATION AND RECERTIFICATION PROGRAM SELF-FUNDED OUT OF RECEIPTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-440(b) reads as rewritten:

"(b) The Board may include in any such restricted-use regulation the time and conditions of sale, distribution, or use of such restricted-use pesticides, may prohibit the use of any restricted-use pesticide for designated purposes or at designated times; may require the purchaser or user to certify that restricted-use pesticides will be used only as labeled or as further restricted by ~~regulation,~~ regulation; may require the certification and recertification of private applicators, and charge a fee of up to ten dollars ($10.00), with the fee set at a level to make the certification/recertification program self-supporting, and, after opportunity for a hearing, may suspend, revoke or modify the certification for violation of any provision of this Article, or any rule or regulation adopted thereunder; and may, if it deems it necessary to carry out the provisions of this Part, require that any or all restricted-use pesticides shall be purchased, possessed, or used only under permit of the Board and under its direct supervision in certain areas and/or under certain conditions or in certain quantities

or concentrations except that any person licensed to sell such pesticides may purchase and possess such pesticides without a permit. The Board may require all persons issued such permits to maintain records as to the use of the restricted-use pesticides. The Board may authorize the use of restricted-use pesticides by persons licensed under the North Carolina Structural Pest Control Act without a permit."

Sec. 2. This act shall become effective September 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1946 **CHAPTER 847**

AN ACT TO ABOLISH THE BOARD OF STATE CONTRACT APPEALS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-1 is amended by deleting the last sentence of that section.

Sec. 2. G.S. 150B-1(d) is amended by rewriting the fourth paragraph of that subsection to read:

"Articles 2 and 3 of this Chapter shall not apply to the Department of Revenue. Except as provided in Chapter 136 of the General Statutes, Articles 2 and 3 of this Chapter do not apply to the Department of Transportation."

Sec. 3. G.S. 136-29 is rewritten to read:

"§ *136-29. Adjustment and resolution of highway construction contract claim.*--(a) A contractor who has completed a contract with the Department of Transportation to construct a State highway and who has not received the amount he claims is due under the contract may submit a verified written claim to the State Highway Administrator for the amount the contractor claims is due. The claim shall be submitted within 60 days after the contractor receives his final statement from the Department and shall state the factual basis for the claim.

The State Highway Administrator shall investigate a submitted claim within 90 days of receiving the claim or within any longer time period agreed to by the State Highway Administrator and the contractor. The contractor may appear before the State Highway Administrator, either in person or through counsel, to present facts and arguments in support of his claim. The State Highway Administrator may allow, deny, or compromise the claim, in whole or in part. The State Highway Administrator shall give the contractor a written statement of the State Highway Administrator's decision on the contractor's claim.

(b) A contractor who is dissatisfied with the State Highway Administrator's decision on the contractor's claim may commence a contested case on the claim under Chapter 150B of the General Statutes. The contested case shall be commenced within 60 days of receiving the State Highway Administrator's written statement of the decision.

(c) As to any portion of a claim that is denied by the State Highway Administrator, the contractor may, in lieu of the procedures set forth in subsection (b) of this section, within six months of receipt of the State Highway Administrator's final decision, institute a civil action for the sum he claims to be entitled to under the contract by filing a verified complaint and the issuance of a summons in the Superior Court of Wake County or in the superior court of any county where the work under the contract was performed. The procedure shall be the same as in all civil actions except that all issues shall be tried by the judge, without a jury.

(d) The provisions of this section shall be part of every contract for State highway construction between the Department of Transportation and a contractor. A provision in a contract that conflicts with this section is invalid."

Sec. 4. G.S. 143-135.3 is amended as follows:

(1) by rewriting the catch line to that section to read:

"*Adjustment and resolution of building construction contract claim.*";

(2) by designating the seventh and eighth paragraphs of that section as subsection (a) and deleting the remainder of that section; and

(3) by adding the following new subsections to read:

"(b) A contractor who has not completed a contract with a board for construction or repair work and who has not received the amount he claims is due under the contract may submit a verified written claim to the Director of the Office of State Construction of the Department of Administration for the amount the contractor claims is due. The Director may deny, allow, or compromise the claim, in whole or in part. A claim under this subsection is not a contested case under Chapter 150B of the General Statutes.

(c) A contractor who has completed a contract with a board for construction or repair work and who has not received the amount he claims is due under the contract may submit a verified written claim to the Director of the Office of State Construction of the Department of Administration for the amount the contractor claims is due. The claim shall be submitted within 60 days after the contractor receives a final statement of the board's disposition of his claim and shall state

the factual basis for the claim.

The Director shall investigate a submitted claim within 90 days of receiving the claim, or within any longer time period upon which the Director and the contractor agree. The contractor may appear before the Director, either in person or through counsel, to present facts and arguments in support of his claim. The Director may allow, deny, or compromise the claim, in whole or in part. The Director shall give the contractor a written statement of the Director's decision on the contractor's claim.

A contractor who is dissatisfied with the Director's decision on a claim submitted under this subsection may commence a contested case on the claim under Chapter 150B of the General Statutes. The contested case shall be commenced within 60 days of receiving the Director's written statement of the decision.

(d) As to any portion of a claim that is denied by the Director, the contractor may, in lieu of the procedures set forth in the preceding subsection of this section, within six months or receipt of the Director's final decision, institute a civil action for the sum he claims to be entitled to under the contract by filing a verified complaint and the issuance of a summons in the Superior Court of Wake County or in the superior court of any county where the work under the contract was performed. The procedure shall be the same as in all civil actions except that all issues shall be tried by the judge, without a jury.

(e) The provisions of this section are part of every contract for construction or repair work made by a board and a contractor. A provision in a contract that conflicts with this section is invalid."

Sec. 5. G.S. 143-135.10 through G.S. 143-135.20, Article 8A of Chapter 143 of the General Statutes, are repealed.

Sec. 6. This act shall become effective October 1, 1987, and shall apply to actions brought for claims denied by the State Highway Administrator or by the Director of the Office of State Construction of the Department of Administration on or after that date.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 375 **CHAPTER 848**

AN ACT TO REQUIRE OPERATORS AND THEIR PARENT CORPORATIONS TO BE RESPONSIBLE FOR COSTS AND LIABILITIES ARISING FROM THE OPERATION OF COMMERCIAL HAZARDOUS WASTE TREATMENT FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-294(j) reads as rewritten:

"(j) The Commission may adopt rules for financial responsibility (including requirements for sufficient availability of funds for facility closure and postclosure monitoring and corrective measures, and for potential liability of sudden and nonsudden accidental occurrences), which may permit the use of insurance, financial tests, third-party guarantees by persons who can pass the financial test, guarantees by corporate parents who can pass the financial test, irrevocable letters of credit, trust, surety bonds, or any other financial device, or any combination of the foregoing, shown to provide protection equivalent to the financial protection that would have been provided by insurance if insurance were the only mechanism used. Any direct or indirect parent corporation or other parent entity of the operator of a commercial hazardous waste treatment facility shall be deemed to be a guarantor of payment by the operator for closure, monitoring, and corrective measures and for liability incurred by the operator arising from the operation of the commercial hazardous waste treatment facility. The Department may provide a copy of any filing to meet the financial responsibility requirements to the State Treasurer, who shall review the filing and provide written comments on the equivalency of protection provided by the filing, including recommended changes."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 975 **CHAPTER 849**

AN ACT TO IMPROVE THE NORTH CAROLINA SECURITIES ACT AND THE BUSINESS CORPORATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 78A-2(2)d. is amended: (i) on line 2 of sub-subdivision 1. by adding the number "(5)", after number "(4)"; (ii) by deleting the present sub-subdivision 3. and substituting therefor the following rewritten sub-subdivision 3.:

"3. All of the following conditions are met: (i) No commission or other remuneration is paid or given directly or indirectly for soliciting any prospective purchaser in this State; (ii) the total amount of the offering, both within and without this State, does not exceed two million five hundred thousand dollars ($2,500,000); and (iii) the total number of purchasers, both within and without this State, does not

exceed 100. Provided, however, the Administrator may by rule or order waive the condition imposed by subdivision (iii) hereof; or"
and, (iii) by adding a new sub-subdivision 4. as follows:

"4. The security is issued by an open-end management company that is registered under the Investment Company Act of 1940 and so long as no sales load is paid or given, directly or indirectly."

Sec. 2. G.S. 78A-18(b) is amended by deleting the existing subsection (b) and substituting therefor as follows:

"(b) In a civil or administrative proceeding brought under this Chapter, the burden of proving an exemption or an exception from a definition is upon the person claiming it. In a criminal proceeding brought under this Chapter, the State has no initial burden of producing evidence to show that the defendant's actions do not fall within the exemption or exception; however, once the defendant introduces evidence to show that his conduct is within the exemption or exception, the burden of persuading the trier of fact that the exemption or exception does not apply falls upon the State."

Sec. 3. G.S. 78A-40(c) is amended by deleting the words "denial, revocation, suspension, cancellation or withdrawal by the Administrator of a registration of a dealer or salesman" and substituting therefor the words "exercise of the authority of the Administrator".

Sec. 4. G.S. 78A-46 is amended by adding a new subsection (d) as follows:

"(d) The Administrator may act under subsection (b) or apply under subsection (c) to enforce subpoenas in this State at the request of a securities agency or administrator of any state if the alleged activities constituting a violation for which the information is sought would be a violation of this Chapter or any rule hereunder if the alleged activities had occurred in this State."

Sec. 5. G.S. 78A-48(a) is amended by adding the words "or certified" before the word "mail" in the fifth line and by adding the words "and shall file in court the additional evidence" after the word "evidence" in the third from the last line of subsection (a).

Sec. 6. G.S. 78A-49(d) is amended by adding "(except 78A-17(9), (17))" after "78A-17" in the fifth line of subsection (d).

Sec. 7. G.S. 78A-57(a) is amended by deleting in lines 5, 6 and 7 the words "fined not more than five thousand dollars ($5,000) or imprisoned in the State prison not more than five years, or both;" and substituting therefor the words "punished as a Class I felon;".

Sec. 8. G.S. 78A-30(b) and (c) is amended by adding the following sentences to the end of subsection (b) and by inserting the word "business" after the number "10" in the first line of subsection (c):

"Provided, however, if the securities or the transaction regarding which the fairness hearing is sought are otherwise exempt from the registration provisions of this Chapter: (1) the Administrator shall have until 45 days after the filing of the application and supporting documents to hold a hearing on the application for approval; and (2) the hearing on the application shall not be held until at least 10 business days after the filing of the application."

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 35 **CHAPTER 850**

AN ACT TO CREATE THE NORTH CAROLINA LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT AUTHORITY, TO PROVIDE FOR THE MANAGEMENT OF LOW-LEVEL RADIOACTIVE WASTE IN NORTH CAROLINA, AND TO AMEND THE SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT.

The General Assembly of North Carolina enacts:

Section 1. A new Chapter is added to the General Statutes to read:

"Chapter 104G.

"North Carolina Low-Level Radioactive Waste Management Authority Act of 1987.

"§ *104G-1. Title.*--This Chapter shall be known and may be cited as the 'North Carolina Low-Level Radioactive Waste Management Authority Act of 1987.'

"§ *104G-2. Definitions.*--Unless the context otherwise requires, the following definitions shall apply to this Chapter:

(1) 'Authority' means the North Carolina Low-Level Radioactive Waste Management Authority established pursuant to this Chapter, its governing board, or any successor thereto.

(2) 'Board' means the Governor's Waste Management Board established pursuant to Part 27 of Article 3 of Chapter 143B of the General Statutes.

(3) 'Commission' means the North Carolina Radiation Protection Commission established pursuant to Chapter 104E of the General Statutes.

(4) 'LLRWPAA' means the Low-Level Radioactive Waste Policy Act of 1980, Pub. L. No. 96-573, 94 Stat. 3347, and the Low-Level Radioactive Waste Policy Amendments Act of 1985, Pub. L. 99-240, 99 Stat. 1842, 42 U.S.C. 2021b *et seq.*

(5) 'Low-level radioactive waste' means low-level radioactive waste as defined in the Low-Level Radioactive Waste Policy Amendments Act of 1985, Pub. L. 99-240, 99 Stat. 1842, 42 U.S.C. 2021b *et seq.* and other waste, including waste containing naturally occurring and accelerator produced radioactive material, which is not regulated by the United States Nuclear Regulatory Commission or other agency of the federal government and which is determined to be low-level radioactive waste by the Commission.

(6) 'Low-level radioactive waste facility' means a facility for the storage, collection, processing, treatment, recycling, recovery, or disposal of low-level radioactive waste.

(7) 'Low-level radioactive waste disposal facility' means any low-level radioactive waste facility or any portion of such facility, including land, buildings, and equipment, which is used or intended to be used for the disposal of low-level radioactive waste on or in land in accordance with rules promulgated under Chapter 104E of the General Statutes.

(8) 'Local government(s)' means the board of commissioners of a county or the governing board of a city, as the term 'city' is defined in G.S. 160A-1(2).

"§ *104G-3. Legislative findings.*--The General Assembly finds that the generation of low-level radioactive waste is an unavoidable result of the needs and demands of a modern society. The General Assembly further finds that the safe and efficient management of low-level radioactive waste, including the timely establishment of adequate facilities for the comprehensive management and permanent disposal of low-level radioactive waste, presents urgent problems for North Carolina; and that solutions to these problems are essential to the State's continued economic growth and to protection of the public health and safety and the environment.

It is the policy of the State to provide and ensure continuous access to sufficient facilities for the proper management and permanent disposal of low-level radioactive waste for which the State assumes responsibility or for which the State is responsible under the LLRWPAA; to protect the water, land and air resources of the State, as well as the health and safety of its citizens by promoting the proper

handling and disposal of these wastes; to limit the number of facilities required to effectively and efficiently manage and dispose of these wastes; to provide for prevention, minimization and volume reduction of these wastes; to distribute the costs, benefits and obligations of successful low-level radioactive waste management equitably among those generators who produce or possess these wastes; and to promote cooperation and coordination among the private sector, the general public and State and local agencies to assure the availability of a comprehensive and integrated system of waste management and disposal.

The General Assembly of North Carolina finds that local governments have an important role in promoting public health and safety, encouraging planned and orderly land use development, and in providing services to meet the needs of educational and health institutions, business, and industry. The General Assembly of North Carolina further finds that the reasonable concerns and reasonable decisions of local authorities should be considered in the siting, licensing, and operation of low-level radioactive waste facilities.

"§ *104G-4. Purpose.*--It is the purpose of this Chapter to ensure the State fulfills its responsibilities under the LLRWPAA to provide for the availability, no later than 31 December 1992, of adequate capacity for permanent disposal of low-level radioactive waste, while protecting public health, safety, and the environment. It is the purpose of the General Assembly to create an Authority to site, finance, build, lease or operate, oversee, monitor and close such a facility, all in accordance with laws, regulations and agreements governing such activities. The Authority is to be responsible for selecting and acquiring suitable sites, selecting, and if necessary removing, operators, or operating a facility itself, preparing an environmental impact statement, assuming control of the decommissioned site, providing post decommissioning active maintenance or remedial action, collecting and disbursing fees and other charges, administering an adequate long-term care fund, and responding to inquiries and concerns of the host community. The Authority is also to be responsible for determining whether any other facilities are required for the responsible management of low-level radioactive waste in this State, and to do whatever may be necessary, consistent with this Chapter, to meet those requirements.

Furthermore, it is the purpose of this Chapter to establish an effective and comprehensive policy of negotiation and arbitration between the Authority or other applicant for a low-level radioactive

waste disposal facility license and a committee representing the affected local government(s) to assure that:

(1) arbitrary or discriminatory policies and actions of local governments which prohibit or have the effect of prohibiting the establishment of a low-level radioactive waste disposal facility can be set aside;

(2) the legitimate concerns of nearby residents and affected municipalities can be expressed in a public forum, negotiated and, if need be, arbitrated with the applicant in a fair manner and reduced to a written document that is legally binding; and

(3) an environmentally sound and economically viable low-level radioactive waste disposal facility will be established.

"§ *104G-5. Organization and administration.*--(a) Creation. The North Carolina Low-Level Radioactive Waste Management Authority is hereby created as follows:

(1) The Authority shall be located within the Department of Administration. The Authority shall exercise all of its powers independently of the Secretary of Administration and, not withstanding any other provision of law, shall be subject to the direction and supervision of the Secretary of Administration only with respect to the management functions of coordinating and reporting.

(2) The Authority shall continue until its existence shall be terminated by law. Upon the termination of the existence of the Authority, all of its rights and properties shall pass to and be vested in the State.

(3) The Department of Administration shall provide such technical and clerical services and personnel as the Authority may require in the performance of its functions and shall provide liaison services with other agencies of State government to disseminate information and comment on Authority matters. The Authority shall reimburse the Department for such services from its revenues or from other funding sources.

(4) To the extent necessary and appropriate, the Authority shall reimburse any participating State agency or unit of local government which advances funds to pay for the expenditures required for preliminary costs in the creation of the Authority or for its subsequent operation. Such funds shall be reimbursed to the advancing party from low-level radioactive waste disposal facility revenues.

(b) Membership. The Authority shall be governed by a board composed of 15 members. Members of the General Assembly, the Board, the Commission, and of any State board or commission which

exercises regulatory authority with respect to any activity of the Authority shall be ineligible for appointment to membership on the Authority.

(c) Appointment. Appointments to the Authority shall be made as follows:

(1) The General Assembly shall appoint 10 members in accordance with G.S. 120-121, five upon recommendation of the Speaker of the House of Representatives and five upon recommendation of the President of the Senate. Successors shall be made upon the recommendation of the officer who recommended the original appointment.

(2) The Governor shall appoint five members.

(3) Vacancies in appointments shall be filled for the unexpired term. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122.

(4) Members of the Authority shall include persons with technical and legal expertise in low-level radioactive waste management and shall represent, insofar as practicable, the diverse interests of the State and, initially, each geographic region of the State.

(5) Initial appointments shall be made on or before 1 October 1987. Initial appointments to be made by the General Assembly shall be made as though vacancies had occurred in unexpired terms and in accordance with G.S. 120-122.

(6) The Authority shall begin operation upon the appointment of all of its members, provided that the Authority shall begin operation by 1 November 1987, notwithstanding the failure of any of the appointing authorities to make appointments.

(d) Terms.

(1) Of the initial appointments made by the General Assembly, two terms shall expire 30 June 1990, four terms shall expire 30 June 1991, two terms shall expire 30 June 1992, and two terms shall expire 30 June 1993. Successors shall serve for four-year terms. The General Assembly shall have the power to remove, in accordance with G.S. 143B-13, any member appointed by it.

(2) Of the initial appointments by the Governor, two terms shall expire 30 June 1990, one term shall expire 30 June 1991, one term shall expire 30 June 1992, and one term shall expire 30 June 1993. Successors shall serve for four-year terms. The Governor shall have the power to remove, in accordance with G.S. 143B-13, any member appointed by him.

(e) Officers. The Governor shall appoint from the members of the Authority the Chairman and Vice-Chairman of the Authority. In the event that the Chairman and Vice-Chairman are not appointed by 1 November 1987, the Authority shall elect a Chairman and Vice-Chairman and begin operation. The Executive Director of the Authority shall serve as secretary of the Authority.

(f) Meetings. The Authority shall meet at least quarterly or more frequently at such regular meeting time as the Authority by rule may provide and at any place within the State as the Authority may provide. The Authority shall meet upon the call of its Chairman or a majority of its members. A majority of its members shall constitute a quorum for the transaction of business. The members of the Authority shall be compensated for their services at the rate of one hundred fifty dollars ($150.00) per day and shall receive travel expenses in accordance with G.S. 138-5; the members may not receive a subsistence allowance.

(g) Executive Director and Staff. The Authority shall be assisted by an Executive Director and staff who shall be subject to provisions of law applicable to State employees generally, including Chapters 126 and 135 of the General Statutes, except as such provisions are modified by this Chapter.

(1) The Authority shall appoint an Executive Director, who shall report to the Authority and serve at its pleasure. The Executive Director shall be the chief administrative officer of the Authority. The Authority shall set, subject to consultation with the Advisory Budget Commission, and pay the compensation of the Executive Director.

(2) The Executive Director shall be assisted by such senior professional staff members as may be necessary to carry out the provisions of this Chapter, who shall be appointed by the Authority on nomination of the Executive Director. The Authority shall set, subject to consultation with the Advisory Budget Commission, and pay the compensation of the staff members it appoints.

(3) In addition, the Executive Director shall be assisted by such other employees as may be needed to carry out the provisions of this Chapter. The staff complement shall be established by the Authority on recommendation of the Executive Director. Such other employees shall be appointed by the Authority upon the recommendation of the Executive Director and shall be compensated by the Authority pursuant to the provisions of Chapter 126 of the General Statutes.

"§ *104G-6. Powers and duties of the Authority.*--(a) To carry out the purposes of this Chapter, the Authority:

(1) Shall site, design, construct, and operate a low-level radioactive waste disposal facility exclusively for the wastes generated within the State or within the region pursuant to the Southeast Interstate Low-Level Radioactive Waste Management Compact, G.S. 104F-1;

(2) Shall establish, consistent with the rules of the Commission, the criteria and procedures for characterizing and evaluating alternative locations for a low-level radioactive waste disposal facility;

(3) May employ consultants and contractors to provide services including site selection, design, construction, operation, closure and perpetual care of a low-level radioactive waste disposal facility, necessary, desirable or convenient to effectuate the purposes of this Chapter, and to fix and pay their compensation;

(4) May acquire by deed, purchase, lease, contract, gift, devise, condemnation or otherwise, any real or personal property, structures, rights-of-way, franchises, easements, and other interests in land which is necessary and convenient for the construction or operation of low-level radioactive waste facilities, upon such terms and conditions as it deems advisable, and to lease, sell, or dispose of the same in such manner as may be necessary or desirable to carry out the objects and purposes of this Chapter;

(5) May exercise the powers of a body corporate, including the power to sue and be sued, and may adopt and use a common seal and alter the same as may be deemed expedient;

(6) May make all necessary contracts and arrangements with other officials or agencies in this and other states, including compact commissions, for any of the purposes of this Chapter;

(7) Shall establish an office for the transaction of its business at such place or places as, in the opinion of the Authority, shall be advisable or necessary in carrying out the purposes of this Chapter;

(8) May create and operate any divisions it deems necessary or useful;

(9) Shall pay all costs of the formation and organization of the Authority, and incident to its administration and operation, and may pay all other costs necessary in carrying out the purposes of this Chapter;

(10) Shall develop proposed schedules of fees and other charges, including user charges, penalties, and surcharges, applicable to the use and operation of low-level radioactive waste facilities under its control, and shall supervise the enforcement of such schedules as may be authorized by the General Assembly;

(11) Shall develop and use procedures for determining the design, technology, operational features, and post-closure requirements of a low-level radioactive waste disposal facility;

(12) Shall reimburse, or assure that licensee reimburses, the various State agencies or departments for the actual administrative costs of licensing, training of inspection and enforcement personnel, inspection, and enforcement which those agencies incur as a result of the establishment, operation, and closure of low-level radioactive waste facilities pursuant to the provisions of this Chapter;

(13) May apply for, accept, and expend loans and grants of money from any federal or State agency or any political subdivision thereof, from a compact commission, or from any other public or private source for any of the purposes authorized by this Chapter, and to give any evidences of indebtedness as may be required. Except as may hereafter be authorized by the General Assembly, no indebtedness of any kind incurred or created by the Authority shall constitute an indebtedness of the State or any of its political subdivisions, and no such indebtedness shall involve or be secured by the faith, credit, or taxing power of the State or any of its political subdivisions. At no time may the total outstanding indebtedness of the Authority, excluding bond indebtedness, exceed a total of five hundred thousand dollars ($500,000) without prior approval of the Governor, after receiving the advice of the Advisory Budget Commission;

(14) May issue revenue bonds pursuant to The State and Local Government Revenue Bond Act, Article 5 of Chapter 159 of the General Statutes;

(15) Shall, if it elects to issue bonds, select and retain, subject to approval of the Local Government Commission, financial consultants, underwriters, and bond attorneys to assist with the issuance of such bonds and to pay for services rendered;

(16) May pledge revenues from low-level radioactive waste facilities to the benefit of bondholders, or for other purposes necessary to secure financing;

(17) Shall make such plans, surveys, studies, and investigations as may be necessary or desirable with respect to the acquisition, development, and use of real property and the design, construction, operation, closure, and long-term care of low-level radioactive waste facilities;

(18) Shall receive all field data, charts, maps, tracings, laboratory test data, soil and rock samples, and such other records as the Authority deems appropriate, collected or produced by its employees, contractors, or consultants pursuant to siting, operating, or closing of low-level radioactive waste facilities. All such data and materials shall become the property of the State and shall not be disposed of except in accordance with G.S. 132-3 except that soil and rock samples may be subjected to tests and reduced in volume for purposes of storage in a manner approved by the Authority. The Authority may enter into agreements with other State agencies for the purpose of storage and preservation of data and materials;

(19) Shall procure and keep in force adequate insurance or otherwise provide for the adequate protection to indemnify and save harmless it and its officers, agents, employees, adjoining property owners, or the general public against loss or liability resulting from any act or omission by or on behalf of the Authority, and for the protection of its property;

(20) May adopt bylaws for the regulation of its affairs and the conduct of its business and to prescribe rules, regulations and policies in connection with the performance of its functions and duties;

(21) Shall do anything else necessary for the siting, design, construction, operation, maintenance, closure and long-term care of a low-level radioactive waste disposal facility not otherwise prohibited by law; and

(22) Shall periodically review the current and projected availability and adequacy of facilities for the management of

low-level radioactive waste, determine whether any facilities for the management of such wastes are required in addition to the disposal facility operated pursuant to this Chapter, and make appropriate recommendations to the General Assembly.

(b) Neither the Authority nor any contractor performing services on behalf of the Authority shall be subject to the following provisions of the General Statutes:

(1) Article 3 of Chapter 143 (Purchases and Contracts);
(2) Article 8B of Chapter 143 (State Building Commission);
(3) G.S. 143-128 (Separate specifications for building contracts);
(4) G.S. 143-341 (Powers and duties of the Department of Administration);
(5) Chapter 146 (State Lands); and
(6) Articles 3 and 3A of Chapter 150B shall not apply to final decisions regarding site selection, operator selection or technology selection pursuant to G.S. 104G-9, 104G-10, and 104G-11.

"§ *104G-7. Compliance with laws applicable to radiation control and protection and to protection of the environment.*--This Chapter shall not be construed as amending, repealing, or in any manner abridging or interfering with those sections of the General Statutes relating to radiation protection or the protection of the environment, nor shall the provisions of this Chapter be construed as being applicable to or in any way affecting the authority of State agencies and commissions to control radiation or the discharge of environmental pollutants and wastes into the air, soil, or waters of the State. The Authority, its members, officers, employees, agents, contractors, and the operator of any low-level radioactive waste facility shall comply with all federal and State laws, including statutes, regulations, and rules, applicable to radiation control and protection, and to protection of the environment. The Authority shall be considered a State agency for purposes of the North Carolina Environmental Policy Act, G.S. 113A-1 *et seq.*

"§ *104G-8. Liability and defense.*--(a) The provisions of Article 31 of Chapter 143 (Tort Claims Against State Departments and Agencies) shall apply to the Authority. No member, officer, or employee of the Authority, while acting within the scope of their authority, shall be subject to any personal liability or accountability by reason of any act

or omission in connection with the exercise of any power or performance of any duty, whether express or implied, pursuant to this Chapter.

(b) The Authority may provide for the defense of a criminal or civil proceeding brought against any current or former member, officer, agent, or employee either in his official or individual capacity, or both, on account of any act done or omission made in the scope and course of his employment or duty as a member, officer, agent or employee of the Authority. The defense may be provided by the Attorney General or by the Authority by its own counsel, by employing other counsel, or by purchasing insurance which requires that the insurer provide the defense.

(c) The Authority may appropriate funds for the purpose of paying all or part of a claim made or any civil judgment entered against any of its current or former members, officers, agents, or employees when such claim is made or such judgment is rendered as damages on account of any act done or omission made or in the scope and course of his current or former employment or duty as a member, officer, agent or employee; provided, however, that nothing in this section shall permit the Authority to appropriate funds for the purpose of paying a claim made or civil judgment entered against any current or former member, officer, agent or employee where the Authority or a court of competent jurisdiction finds that the claim or civil judgment resulted from malice, fraud or corruption.

"§ *104G-9. Site selection.*--(a) The Authority shall actively seek communities interested in hosting low-level radioactive waste facilities.

(b) No later than 1 May 1988, the Authority shall develop procedures and criteria for selecting a site for a low-level radioactive waste disposal facility. These procedures shall be developed with, and provide for, public participation; shall be developed with the assistance of the Board; shall include a written justification for each criteria; shall be consistent with all applicable federal and State law, including statutes, regulations and rules; shall be developed and revised in light of the best available scientific data; and shall be based on consideration of at least the following factors:

(1) Hydrological and geological factors, including flood plains, depth to water table, groundwater travel time, soil pH, soil cation exchange capacity, soil composition and permeability, cavernous bedrock, seismic activity, slope, mines, climate, and earthquake faults;

(2) Environmental and public health factors, including air quality, quality of surface and groundwater, and proximity to public water supply watersheds;

(3) Natural and cultural resources, including wetlands, gamelands, endangered species habitats, proximity to parks, forests, wilderness areas, nature preserves, and historic sites;

(4) Local land uses;

(5) Transportation factors, including proximity to waste generators, route safety, and method of transportation;

(6) Aesthetic factors, including the visibility, appearance, and noise level of the facility.

(c) The Authority shall identify areas that may be suitable for the location of a low-level radioactive waste disposal facility no later than 1 December 1988.

(d) The Authority shall conduct public information meetings in the areas identified pursuant to subsection (c) of this section.

(e) No later than 1 August 1989, the Authority shall select two or three sites that are suitable for the location of a low-level radioactive disposal facility, for characterization.

(f) No later than 1 August 1990, the Authority shall complete characterization of two to three sites.

(g) No later than 15 November 1990, the Authority shall select the preferred site for a low-level radioactive waste disposal facility and begin proceedings to purchase or if necessary, condemn property for such site(s) under the State's power of eminent domain. The procedure for condemnation by the Authority shall be as set out in Article 9 of Chapter 136 of the General Statutes, except that the Authority shall have the same rights, powers, duties, and responsibilities as are set out for the Department of Transportation. The General Assembly finds that the protection of public health, safety, and welfare, including protection of the environment, requires that facilities for the management and disposal of low-level radioactive waste be established. The acquisition of real property for the management and disposal of low-level radioactive waste is therefore declared to be for the use and benefit of the public, and to serve a public purpose. Pursuant to G.S. 104E-6.1, fee simple title to the land shall be vested in the Authority.

(h) The Authority may request information and assistance from any State agency which has data or expertise which would assist the Authority in the identification and characterization of sites for a low-level radioactive waste disposal facility, provided that no agency which has authority to issue any license or permit required for the

construction or operation of the facility shall participate in the site selection process in any way that would result in an actual or apparent conflict of interest.

(i) The Authority may in its discretion contract for the services of independent, qualified consultants to assist in the development and implementation of procedures and criteria for site screening, selection, and characterization. Such consultants shall be eligible to subsequently design, construct, or operate a low-level radioactive waste disposal facility on behalf of the Authority.

"§ *104G-10. Operator selection and oversight.*--(a) The Authority shall actively seek private operators for low-level radioactive waste facilities.

(b) Operator shall meet the requirements of G.S. 104E-10.1.

(c) The Authority shall select and employ an operator for a low-level radioactive waste disposal facility no later than 1 August 1988. If no private operator is employed by 1 August 1988, the Authority shall designate itself as the operator and shall do everything necessary to obtain all required licenses or permits to operate a low-level radioactive waste disposal facility.

(d) The Authority shall enter into and enforce an agreement with the operator of a low-level radioactive waste facility which shall incorporate such terms and conditions as the Authority determines are consistent with the purposes of this Chapter. Such agreement shall contain adequate assurances of operator performance through the use of bonds, insurance, and shall require substantial compliance with all applicable federal and State law, including statutes, regulations, and rules. The Authority shall provide for an independent annual audit of the collection of all fees and charges.

(e) The Authority may, in its discretion, seek the advice, assistance of other State agencies or private consultants in selecting an operator.

(f) No later than 1 August 1989, the operator shall submit to the Authority conceptual design proposals for a low-level radioactive waste disposal facility to be located on the sites identified under G.S. 104G-9(e). Proposals shall include a general description of the design(s), technology(ies), staffing, and other considerations which the designated operator proposes for a low-level radioactive waste disposal facility. Proposals shall be made available to the site designation review committee for their review.

(g) The Authority may suspend or terminate its agreement with the operator of a low-level radioactive waste facility for any breech thereof. In the event of suspension or termination of the agreement, the Authority may select an interim or replacement operator, or may

operate the facility itself, to ensure that the facility is properly maintained and operated in compliance with all applicable federal and State laws, including statutes, rules, and regulations.

(h) The Authority shall periodically review and amend its agreement with the operator of a low-level radioactive waste disposal facility to reflect necessary changes in fees or charges, new environmental requirements, additional bonding or insurance requirements, or other alterations deemed necessary or appropriate.

"§ *104G-11. Technology, license application, and environmental impact statement.*--(a) The Authority shall, with the assistance of other State agencies or private consultants it deems appropriate, select a technology and approve the design, operating procedures, safety plan, closure plan and other plans necessary for its low-level radioactive waste facilities. The Authority shall select the technology for a low-level radioactive waste disposal facility no later than 1 March 1990.

(b) The operator shall prepare and submit all applications for licenses and permits required for a low-level radioactive waste facility to the appropriate regulatory agencies. The operator shall also prepare an environmental impact report which shall become the basis of an environmental impact statement required for such facility under G.S. 113-4.

(c) The operator shall prepare and submit all applications for licenses and permits required for a low-level radioactive waste disposal facility no later than 31 December 1990. The Department of Human Resources is designated as the lead State agency for overall coordination of the review of the application process and ensuring that decisions by the affected State agencies are rendered in a timely manner.

"§ *104G-12. Construction.*--(a) The Authority shall actively seek private contractors to construct low-level radioactive waste facilities. The operator of a facility may be selected as the contractor.

(b) If no private contractor is selected for a low-level radioactive waste disposal facility, the Authority shall designate itself as the contractor and shall do everything necessary to construct a low-level radioactive waste disposal facility.

(c) The Authority shall monitor and enforce its agreement with the contractor to ensure all work complies with specifications and is completed on schedule.

(d) The Authority shall comply with the requirements of Article 8 of Chapter 143 of the General Statutes of North Carolina (Public Building Contracts) except for G.S. 143-128 (separate specifications for building contracts).

"§ *104G-13. Closure and decommissioning.*--(a) The Authority shall enter into an agreement with the operator for the safe and proper closure and decommissioning of a low-level radioactive waste disposal facility and site prior to the period of institutional control.

(b) The Authority shall, with the assistance of other State agencies and private consultants it deems necessary, approve the operator's site closure and decommissioning plan. The Authority may employ an independent contractor to do anything necessary to ensure that a low-level radioactive waste disposal facility is properly closed and that the site is stabilized.

(c) The approval of the Authority under this section is in addition to the approval of the Department of Human Resources in accordance with the rules and regulations of the Commission.

(d) Upon proper closure, the Authority shall assume responsibility for a low-level radioactive waste disposal facility site during the institutional care period and shall release the operator from further responsibility, subject to approval by the Department of Human Resources of the transfer of the license to the Authority.

"§ *104G-14. Institutional control.*--(a) The Authority shall enter into agreement with private contractors or otherwise provide for physical surveillance and environmental monitoring of a low-level radioactive waste disposal facility and site operated pursuant to this Chapter when the facility is decommissioned.

(b) The Authority shall reimburse appropriate State agencies for the costs of environmental surveillance or other services rendered during the institutional control period.

(c) The Authority shall maintain and administer a long-term care fund in accordance with G.S. 104G-16.

(d) The Authority shall provide through its own personnel, private contractors, cooperative agreement with other governmental agencies, or any combination thereof, any active maintenance or remedial actions that may be required. Payment for the cost thereof shall be made from the Long-Term Care Fund established pursuant to G.S. 104G-16.

"§ *104G-15. Fees.*--(a) It is the intent of the General Assembly that the cost of all activities of the Authority, the cost of all activities of State regulatory agencies which result from activities of the Authority, and the cost of compensation for any damages, including any loss in the value of property which is a direct result of the siting or operation of the facility, be borne by the waste generators served by low-level radioactive waste facilities established under this Chapter.

(b) The Authority shall develop proposed schedules of fees and other charges, including user charges, penalties, and surcharges to meet the following costs:

(1) Establishment and operation of the Authority;

(2) Reimbursement of State agencies for costs incurred on behalf of the Authority or in support of its activities, including the costs of any services performed pursuant to G.S. 104G-14;

(3) Establishment and administration of the Long-Term Care Fund under G.S. 104G-16;

(4) Compensation to the State and local government(s) as provided in G.S. 104G-18;

(5) Repayment to the State with interest, as calculated and certified by the State Treasurer, of all funds expended from the General Fund to establish, maintain, and regulate a low-level radioactive waste disposal facility;

(6) Funding for the Southeast Interstate Low-Level Radioactive Waste Management Compact pursuant to G.S. 104F-1, Article IV;

(7) Compensation of operators, contractors, and consultants employed by the Authority;

(8) Other expenses incurred by the Authority, the State or its agencies in furtherance of the purposes of this Chapter; and

(9) Compensation of any property owner for any loss in value of property directly resulting from the siting or operation of a low-level radioactive waste disposal facility.

(c) The Authority shall prepare, on a quarterly basis, a detailed financial statement showing its current fee schedules, income from all sources, indebtedness, and expenses for the quarter and fiscal year to date. This report, and any other information regarding the operation of the Authority which may be requested, shall be submitted to the chairmen of the House and Senate committees on Finance and Appropriations, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division.

"§ *104G-16. Long-Term Care Fund.*--(a) There is hereby established under the control and direction of the Authority a nonreverting Long-Term Care Fund, to be administered by the State Treasurer, which may be used for:

(1) Administration of the Fund;

(2) Emergency response to and decontamination of radiation accidents at facilities operated by the Authority; or

(3) Environmental monitoring, maintenance, care, and custody of a disposal facility including necessary remedial actions during the institutional control period.

(b) The Long-Term Care Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and 147-69.3.

(c) In addition to any money that shall be appropriated or otherwise made available to it, the Fund may be maintained by fees, user charges, penalties, surcharges or other money paid to or recovered by or on behalf of the Authority under the provisions of this Chapter. It is the intention of the General Assembly that user charges, surcharges, or other fees which may hereafter be authorized shall at all times be sufficient to build and maintain the Fund balance at a level determined by the Authority, with the concurrence of the Commission, to be adequate for the purposes stated in this section.

(d) The establishment of this Fund shall in no way be construed to relieve or reduce the liability of facility operator, contractors, or other persons for damages caused by a low-level radioactive waste facility.

"§ *104G-17. Other receipts.*--(a) For purposes of this Chapter, an operator of a low-level radioactive waste disposal facility may serve as the collection agent for the Authority, in which case, money shall be transferred to the Authority on a timely basis, and deposited with the State Treasurer, as established by the Authority.

(b) All grants from the United States Department of Energy or other sources and all monies from the Southeast Interstate Low-Level Radioactive Waste Management Compact Commission which are received by the Authority shall be deposited with the State Treasurer. Such monies shall be placed in a separate nonreverting account for use by the Authority. The account provided for by this subsection shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and 147-69.3.

(c) All Authority accounts shall be audited on an annual basis.

"§ *104G-18. Taxes; other compensation to the State and local governments.*--(a) A low-level radioactive waste disposal facility shall be exempt from ad valorem property taxes; provided however, that the Authority shall, in lieu of property taxes pay to any governmental body authorized to levy property taxes the amount which would be assessed as taxes on real and personal property of a facility if such facility were otherwise subject to valuation and assessment by local taxing unit. In addition, the Authority shall reimburse the city or county for the loss of ad valorem property tax revenues from property that is immediately

adjacent to the property upon which the facility is located and which is shown to have diminished in value as the direct result of the siting and operation of the facility. Such payments in lieu of taxes shall be due and shall bear interest if unpaid, as in the cases of taxes on other property. Payments in lieu of taxes made hereunder shall be treated in the same manner as taxes for purposes of all procedural and substantive provisions of law. Administrative buildings, associated land and other real and personal property owned by the Authority and not located at a disposal facility shall be exempt from property taxes as provided in G.S. 105-278.1.

(b) Except as authorized in G.S. 153A-152.1, G.S. 160A-211.1 and Chapter 104G of the General Statutes, no city or county may impose any tax, assessment or levy of any kind or description upon the Authority or the operator of the Authority's low-level radioactive waste disposal facility. All laws, ordinances or portions thereof to the contrary are hereby invalidated and are of no effect.

(c) The Authority shall collect, on behalf of the State, an annual radioactive waste tax based on volume and curies, to be paid to the General Fund of North Carolina. The Authority shall develop and recommend to the General Assembly a proposed radioactive waste tax schedule which the General Assembly shall consider in enacting taxes and fees under this Chapter.

(d) The Authority shall collect, on behalf of local governments where a low-level radioactive waste disposal facility is located, a gross receipts tax in an amount to be determined by the General Assembly, to be distributed to local governments as the General Assembly shall provide. The Authority shall develop and recommend to the General Assembly a proposed gross receipts tax schedule and revenue distribution formula which the General Assembly shall consider in enacting taxes and fees under this Chapter.

"§ *104G-19. Site designation review committees.*--(a) The board of commissioners of each county in which there is located a site identified for characterization pursuant to G.S. 104G-9(e) may appoint a site designation review committee for a low-level radioactive waste disposal facility. The committee shall consist of 11 members representing, insofar as possible, local government, environmental, health, engineering, business and industry, academic, public interest, and emergency response groups. The committee shall elect a chairman, vice-chairman, and a secretary. Vacancies shall be filled by the county board of commissioners using the same criteria employed in the original appointment. Members shall be reimbursed by the committee for reasonable and necessary expenses incurred in

connection with their duties. The county shall provide the committee with necessary support staff.

(b) The committee shall advise the county board of commissioners on matters relating to the siting of a low-level radioactive waste disposal facility.

(c) All site designation review committees shall terminate upon the designation of the preferred site by the Authority.

(d) The Board shall provide technical assistance grants of up to fifty thousand dollars ($50,000) to each site designation review committee. The maximum amount that the Board may grant to all site designation review committees for a particular site is seventy-five thousand dollars ($75,000).

(e) Grant funds may be used by the committee to:

(1) Collect information on site suitability;

(2) Monitor the site characterization and site selection process;

(3) Conduct socioeconomic and environmental assessments of the proposed site;

(4) Participate in any meetings, hearings, or other events related to the site selection process;

(5) Study the cost and benefits of the facility being located at the site under consideration; and

(6) Reimburse members for their expenses as provided in subsection (a) of this section.

No grant funds shall be used for litigation expenses. Any reviews or studies funded with grant monies shall be completed before the selection of the preferred site by the Authority.

(f) The Authority shall consider in its decision-making process recommendations or other information of the site designation review committee as may be transmitted to the Authority by the county board of commissioners.

"§ *104G-20. Preferred site local advisory committees.*--(a) Upon the designation of the preferred site for the low-level radioactive waste disposal facility pursuant to G.S. 104G-9(g), the board of commissioners of each county within whose jurisdiction the site is located may appoint a preferred site local advisory committee. The committee shall consist of 11 members representing insofar as possible local government, environmental, health, engineering, business and industry, academic, public interest, and emergency response groups. The committee shall elect a chairman, vice-chairman, and a secretary. Vacancies shall be filled by the county board of commissioners using the same criteria employed in the original appointment. Members shall be reimbursed by the committee for reasonable and necessary

expenses incurred in connection with their duties. The county shall provide the committee with necessary support staff.

(b) The preferred site local advisory committee shall:

(1) Study the costs and benefits associated with the proposed facility;

(2) Review all license and permit applications and related documents concerning the proposed facility;

(3) Hire program, technical, and legal consultants to assist in the review process;

(4) Collect and review information required for issuance of a special or conditional use zoning permit;

(5) Assess the potential local environmental and socioeconomic impacts of the proposed facility;

(6) Promote public education, information, and participation in the licensing process;

(7) Develop and propose agreements between the Authority, the low-level radioactive waste disposal facility operator, local governments, and other persons;

(8) Develop and present recommendations concerning license conditions, operational requirements, compensation, and incentives related to the proposed facility; and

(9) Hire a mediator to facilitate negotiations among the Authority, the low-level radioactive waste disposal facility operator, local governments, and other persons; and

(10) Reimburse committee members for reasonable and necessary expenses.

(c) An applicant for a license to operate a low-level radioactive waste disposal facility shall pay a one-time local application fee in an amount to be determined by the General Assembly to the county or counties where the site of the proposed facility is located. If the board of commissioners appoints a preferred site local advisory committee the local application fee shall be used to support the work of the committee. No funds for local review shall be used to finance litigation expenses.

"§ *104G-21. Negotiation and arbitration.*--(a) Any local government in the county or counties where a low-level radioactive waste facility is proposed to be located pursuant to this Chapter may negotiate with the Authority with respect to any issue relating to the facility except:

(1) The need for the facility;

(2) Any proposal to reduce the duties of the Authority under this Chapter or under any license issued for the facility;

(3) Any proposal to reduce the duties of the Commission or to make less stringent any rule of the Commission; or

(4) Any decision of the Authority regarding site selection, operator selection, or technology pursuant to G.S. 104G-9, 104G-10, and 104G-11.

(b) The Authority shall negotiate in good faith with any local government in the county or counties where a low-level radioactive waste facility is proposed to be located. A local government may designate itself or any other person to negotiate on its behalf.

(c) Negotiations may be conducted with the assistance of a mediator if mediation is requested by both the Authority and a local government. The function of the mediator is to encourage a voluntary settlement of unresolved negotiable issues. The Board shall provide the Authority and the local government with the names and qualifications of persons willing to serve as mediators. If the Authority and a local government cannot agree on the selection of a mediator, the Authority and the local government may request the Board to appoint a mediator.

(d) If the Authority and a local government have not reached agreement on all issues by negotiation within six months after selection of the preferred site pursuant to G.S. 104G-9(g), the following issues may be submitted to arbitration pursuant to the provisions of Article 45A of Chapter 1 of the General Statutes (Uniform Arbitration Act):

(1) Compensation to any local government for substantial economic impacts which are a direct result of the siting and operation of a low-level radioactive waste facility and for which adequate compensation is not otherwise provided;

(2) Reimbursement of reasonable costs incurred by the local government relating to negotiation, mediation and arbitration activities under this section;

(3) Screening, fencing, and other matters related to the appearance of a facility;

(4) Operational concerns other than design capacity and regulatory issues;

(5) Traffic flows and patterns which result from the operation of a facility;

(6) Uses of the site where a facility is located after the facility is closed;

(7) The applicability or nonapplicability of any local ordinance;

(8) Emergency response capabilities, including training and resources;

(9) Access to facility records and monitoring data; and

(10) Ongoing health surveys of persons living in the area around the facility.

(e) In addition to those issues set out in subsection (c), upon petition to the Board by a local government in the county or counties where a low-level radioactive waste facility is proposed to be located, any other issue may be submitted for arbitration except:

(1) Those issues excluded from negotiation under subsection (a) of this section;

(2) Any issue relating to the imposition by the General Assembly of a tax, or fee not authorized by this Chapter; and

(3) Any issue requiring an appropriation by the General Assembly.

(f) The Board shall serve as the arbitrator of any issue submitted for arbitration under this section."

Sec. 2. G.S. 7A-29 is amended by deleting the phrase "or from the Governor pursuant to the Waste Management Act of 1981," and substituting the phrase ", or from the Governor's Waste Management Board pursuant to".

Sec. 3. G.S. 104E-5(18) is repealed.

Sec. 4. G.S. 104E-6.2 is rewritten to read:

"§ *104E-6.2. Local ordinances prohibiting low-level radioactive waste facilities invalid; petition to establish facility.*--(a) Notwithstanding any authority heretofore granted to counties, municipalities, or other local authorities to adopt local ordinances, including those regulating land use, any local ordinance which prohibits or has the effect of prohibiting the establishment or operation of a low-level radioactive waste facility which the Governor's Waste Management Board has approved pursuant to the procedures in subsections (b) through (e) of this section, shall be invalid from 26 June 1981, but only to the extent necessary to effectuate the purposes of this Chapter and Chapter 104G of the General Statutes. For the purpose of this section, the Governor's Waste Management Board shall include, in addition to the members enumerated in G.S. 143B-216.12(a), two members appointed by the governing body of the county in which the proposed site is located. If the proposed site is located in more than one county, or if the proposed site is located within the boundaries of a city, the governing board of each city and county in which any portion of the proposed site is located shall have one appointment. The terms of members appointed by local governing bodies shall end upon the final determination made by the Board under this section, and such members shall serve as members of the Board only for the purposes of this section.

(b) When a low-level radioactive waste facility would be prevented from construction or operation by a county, city or other local ordinance(s), the Authority or operator may petition the Governor's Waste Management Board to review the matter. After receipt of a petition, the Board shall hold a hearing in accordance with the procedures in subsection (c) of this section and shall either approve or disapprove the establishment and operation of the facility.

(c) When a petition described in subsection (b) of this section has been filed with the Governor's Waste Management Board, the Board shall hold a public hearing to consider the petition. Such hearing shall be held in the affected locality within 60 days after receipt of the petition by the Board. The Authority shall give notice of the hearing at least 30 days prior to the date thereof by:

(1) Publication in a newspaper or newspapers having general circulation in the county or counties where the facility is to be located for three consecutive weeks beginning 30 days prior to the scheduled date of the hearing; and

(2) First class mail to persons who have requested such notice. The Board shall maintain a mailing list of persons who request notice pursuant to this section.

Any interested persons may appear before the Board at the hearing to offer testimony. In addition to testimony before the Board, any interested person may submit written material to the Board for its consideration. At least 20 days will be allowed for receipt of written comment following the hearing.

(d) The Board shall approve or disapprove the facility no later than 60 days after the hearing. The Board shall approve the establishment or operation of the facility only if it makes all four of the following findings:

(1) That the proposed facility is needed in order to establish adequate capability for the management of low-level radioactive waste and therefore serves the interest of the citizens of the State as a whole;

(2) That all legally required State and federal permits or approvals have been issued by the appropriate State and federal agencies or that all State and federal permit requirements have been satisfied and that the permits or approvals have been denied or withheld only because of the local ordinance(s);

(3) That local citizens and elected officials have had adequate opportunity to participate in the siting process; and

(4) That the construction and operation of a facility will not pose an unreasonable health or environmental risk to the surrounding locality and that the facility developer or

operator, or North Carolina Low-Level Radioactive Waste Management Authority established pursuant to Chapter 104G of the General Statutes, has taken or consented to take any reasonable measures to avoid or manage foreseeable risks and to comply to the maximum feasible extent with any applicable ordinances.

If the Board does not make all four findings set out above, the Board shall disapprove the establishment or operation of the facility. The Board's decision shall be in writing and shall identify the material submitted to the Board plus any additional materials used in arriving at the decision.

(e) The decision of the Board shall be final unless a party to the action shall, pursuant to Article 4 of Chapter 150B of the General Statutes as modified by G.S. 7A-29 and this section, files a written appeal within 30 days of the date of such decision. The record on appeal shall consist of all materials and information submitted to or considered by the Board, the Board's written decision, a complete transcript of the hearing, all written material presented to the Board regarding the site location and the specific findings required in subsection (d), and any minority positions on the recommendation and the specific findings required in this subsection. The scope of judicial review shall be that the court may affirm the decision of the Board, or may remand the matter for further proceedings, or may reverse or modify the decision if the substantial rights of the parties may have been prejudiced because the agency findings, inferences, conclusions, or decisions are:

(1) In violation of constitutional provisions; or
(2) In excess of the statutory authority or jurisdiction of the agency; or
(3) Made upon unlawful procedure; or
(4) Affected by other error or law; or
(5) Unsupported by substantial evidence admissible under G.S. 150B-29(a) or G.S. 150B-30 in view of the entire record as submitted; or
(6) Arbitrary or capricious.

If the court reverses or modifies the decision of the agency, the judge shall set out in writing which writing shall become part of the record, the reasons for such reversal or modification."

Sec. 5. G.S. 104E-7 is amended by:

(a) designating the existing text as subsection "(a)";

(b) adding the following subdivision to G.S. 104E-7(a):

"(10) To adopt rules which exempt a generator of low-level radioactive waste who operates a low-level radioactive waste facility solely for the management of wastes he produces, from any

requirement, made applicable by this Chapter or rules adopted pursuant to this Chapter to low-level radioactive waste facilities generally where, because of the low volume or activity of the wastes involved, such exemption would not endanger the public health or safety, or the environment." and;

(c) adding a new subsection to read:

"(b) No license for a low-level radioactive waste facility which would accept low-level radioactive waste from the public, or from another person for a fee, shall be issued other than for a facility to be operated pursuant to Chapter 104G of the General Statutes."

Sec. 6. G.S. 104E-10 is amended by deleting subdivision (d) in its entirety.

Sec. 7. G.S. 104E-10.1(a), as amended by Chapter 24 of the 1987 Session Laws, is amended by adding the following sentence to the end thereof:

"In order to continue to hold a license under this Chapter, a licensee must remain financially qualified, and must provide any information requested by the Department to show that he continues to be financially qualified."

Sec. 8. G.S. 104E-10.1, as amended by Chapter 24 of the 1987 Session Laws, is amended by adding a new subdivision to read:

"(c) Within 10 days of receiving an application for a license or an amendment to a license to operate a low-level radioactive waste facility, the Department shall notify the clerk of the board of commissioners of the county or counties in which the facility is proposed to be located or is located, and, if the facility is to be located or is located within a city, the clerk of the governing board of the city, that the application has been filed, and shall file a copy of the application with the clerk. Prior to issuing a license or an amendment to an existing license the Secretary of the Department or his designee shall conduct a public hearing in the county, or in one of the counties, in which a person proposes to operate a low-level radioactive waste facility or to enlarge an existing facility. The Secretary shall give notice of the hearing at least 30 days prior to the date thereof by:

(1) Publication in a newspaper or newspapers having general circulation in the county or counties where the facility is to be located for three consecutive weeks beginning 30 days prior to the scheduled date of the hearing; and

(2) First class mail to persons who have requested such notice. The Department shall maintain a mailing list of persons who request notice pursuant to this subsection."

Sec. 9. Chapter 104E of the General Statutes is amended by adding a new section to read:

"§ *104E-10.3. Low-level radioactive waste facility access licenses.*--The Commission shall provide by regulation for the licensing of access to any low-level radioactive waste facility located in the State. No person shall send waste to a low-level radioactive waste facility unless licensed or otherwise authorized to do so by the Department. No low-level radioactive waste facility shall receive waste from any source not licensed by the Department except as may be otherwise specifically authorized by the Department. Such regulations shall provide, at a minimum, for amendment, suspension, or revocation of licenses, and for authorization for access to a low-level radioactive waste facility by the Department on a temporary or emergency basis. Each application for a license or amendment shall be in writing and shall include such information as may be required by regulation, and such additional information as the Department deems necessary. The application for a license shall set forth the manner in which the applicant plans to comply with the requirements of this Chapter and regulations promulgated thereunder. Upon receipt of an application under this section the Department shall review the application and shall issue a license only if it finds that the applicant is fully qualified under all applicable laws and regulation."

Sec. 10. G.S. 104E-13(a) and (c) are amended by substituting the words "Chapter 150B" for "Chapter 150".

Sec. 11. G.S. 104E-16(b) is repealed.

Sec. 12. G.S. 104E-18 is amended by adding a new subsection to read:

"(c) Notwithstanding the provision of this section, the bond, insurance or other security for a low-level radioactive waste facility shall be filed in accordance with the provisions of Chapter 104G of the General Statutes."

Sec. 13. G.S. 104E-19(b) is repealed.

Sec. 14. G.S. 104E-24 is amended in subsection (c) by deleting the phrase "G.S. 150A-23 through 150A-52." and substituting the phrase "Articles 3, 3A, and 4 of Chapter 150B of the General Statutes."; and in subdivision (d)(2) by deleting the phrase "G.S. 150A-36." and substituting the phrase "G.S. 150B-36."

Sec. 15. Chapter 104E of the General Statutes is amended by adding a new section to read:

"§ *104E-26. Standards and criteria for licensing low-level radioactive waste facilities.*--Standards and criteria for licensing low-level radioactive waste facilities shall be developed by the Commission. Such standards and criteria shall be developed with public participation

and shall be incorporated into rules adopted by the Commission for the licensing of such facilities. Standards and criteria shall be consistent with all applicable federal and State law, including statutes, regulations and rules; shall be developed and revised in light of the best available scientific data; and shall be based on consideration of at least the following factors:

(1) Hydrological and geological factors, including flood plains, depth to water table, groundwater travel time, soil pH, soil cation exchange capacity, soil composition and permeability, cavernous bedrock, seismic activity, slope, mines, climate and earthquake faults;

(2) Environmental and public health factors, including air quality, quality of surface and groundwater, and proximity to public water supply watersheds;

(3) Natural and cultural resources, including wetlands, gamelands, endangered species habitats, proximity to parks, forests, wilderness areas, nature preserves, and historic sites;

(4) Local land uses;

(5) Transportation factors, including proximity to waste generators, route safety, and method of transportation;

(6) Aesthetic factors, including the visibility, appearance, and noise level of the facility.

Sec. 15.1. Chapter 104E of the General Statutes is amended by adding a new section to read:

"§ *104E-27. Volume reduction required.*--(a) The Commission shall develop and adopt rules which require generators of low-level radioactive waste to implement best management practices, including prevention, minimization, reduction, segregation, and hold-for-decay storage, as a condition of access to the low-level radioactive waste disposal facility.

(b) No license for access to the disposal facility operated pursuant to Chapter 104G of the General Statutes shall be issued unless the Commission certifies to the Low-Level Radioactive Waste Management Authority that the generator is reducing waste volume to the extent technologically and economically feasible."

Sec. 16. G.S. 105-164.14(c) is amended by deleting the period at the end thereof and substituting a comma, and by adding the phrase "the North Carolina Low-Level Radioactive Waste Management Authority created pursuant to Chapter 104G of the General Statutes."

Sec. 17. G.S. 105-275 is amended by adding a new subsection to read:

"(32) Real and personal property belonging to the North Carolina Low-Level Radioactive Waste Management Authority created under Chapter 104G of the General Statutes."

Sec. 18. G.S. 120-123 is amended by adding a new subsection to read:

"(51) The North Carolina Low-Level Radioactive Waste Disposal Authority, as established by G.S. 104G-5."

Sec. 19. G.S. 126-5(c1) is amended by adding the following new subdivision:

"(12) Employees of the North Carolina Low-Level Radioactive Waste Management Authority whose salaries are fixed pursuant to G.S. 104G-5(g)."

Sec. 20. G.S. 150B-1(d) is amended by adding the following paragraphs at the end thereof:

"Articles 3 and 3A of this Chapter shall not apply to the Governor's Waste Management Board in administering the provisions of G.S. 104E-6.2.

Articles 3 and 3A of this Chapter shall not apply to the North Carolina Low-Level Radioactive Waste Management Authority in administering the provisions of G.S. 104G-9, 104G-10, and 104G-11."

Sec. 21. G.S. 153A-152.1 reads as rewritten:

"§ *153A-152.1. Privilege license tax on low-level radioactive and hazardous ~~wastes~~ waste facilities.*--(a) Counties in which hazardous waste facilities as defined in G.S. 130A-290(5) or low-level radioactive waste facilities as defined in ~~104E-7(9b) [104E-5(9b)]~~ G.S. 104E-5(9b) are located may levy an annual privilege license tax on persons or firms operating such facilities only in accordance with this section.

(b) The rate or rates of a tax levied under authority of this section shall be in an amount calculated to compensate the county for the additional costs incurred by it from having a hazardous waste facility or a low-level radioactive waste facility located in its jurisdiction~~,~~ to the extent to which compensation for such costs is not otherwise provided, which costs may include the loss of ad valorem property tax revenues from the property on which a facility is located, the cost of providing any additional emergency services, the cost of monitoring air, surface water, groundwater, and other environmental media to the extent other monitoring data is not available, and other costs the county establishes as being associated with the facilities and for which it is not otherwise compensated.

(c) Any person or firm taxed pursuant to this section may appeal the tax rate to the Board, but shall pay the tax when due, subject to a refund when the appeal is resolved by the Board or in the courts."

Sec. 22. G.S. 160A-211.1 reads as rewritten:

"§ *160A-211.1. Privilege license tax on low-level radioactive and hazardous ~~wastes~~ waste facilities.*--(a) Cities in which hazardous waste facilities as defined in G.S. 130A-290(5) or low-level radioactive waste facilities as defined in ~~104E-7(9b) [104E-5(9b)]~~ G.S. 104E-5(9b) are located may levy an annual privilege license tax on persons or firms operating such facilities only in accordance with this section.

(b) The rate or rates of a tax levied under authority of this section shall be in an amount calculated to compensate the city for the additional costs incurred by it from having a hazardous waste facility or a low-level radioactive waste facility located in its jurisdiction, to the extent to which compensation for such costs is not otherwise provided, which costs may include the loss of ad valorem property tax revenues from the property on which a facility is located, the cost of providing any additional emergency services, the cost of monitoring air, surface water, groundwater, and other environmental media to the extent other monitoring data is not available, and other costs the municipality established as being associated with the facilities and for which it is not otherwise compensated.

(c) Any person or firm taxed pursuant to this section may appeal the tax rate to the Board, but shall pay the tax when due, subject to a refund when the appeal is resolved by the Board or in the courts."

Sec. 23. (a) To assist the Authority in the performance of its responsibilities under this act and to advise the General Assembly, there is created the Inter-Agency Committee on Low-Level Radioactive Waste to consist of nine members. The Chairmen of the Governor's Waste Management Board, the Radiation Protection Commission, and the Low-Level Radioactive Waste Management Authority shall each appoint three members of their respective bodies to serve as members of the Committee. The Chairman of the Governor's Waste Management Board shall designate the Chairman of the Committee, and that Board shall provide professional and clerical support to the Committee. Members of the Committee who are State employees shall receive travel expenses as set forth in G.S. 138-5; other Committee members shall receive per diem and travel expenses as set forth in G.S. 138-6.

(b) The Committee shall:

(1) determine the sequence of tasks required to be accomplished in order to site, design, construct, and place into operation a low-level radioactive waste disposal facility, determine the time likely to be required to accomplish those tasks, construct a timetable of task completion dates, and estimate the resources required to accomplish those tasks;

(2) review and evaluate options with respect to policies, procedures, and rates of taxes, fees, penalties, and surcharges applicable to the management of low-level radioactive waste;

(3) review and evaluate procedures in this and other jurisdictions relating to public participation and dispute resolution in connection with siting and management of low-level radioactive waste disposal facilities, including mediation, negotiation, and arbitration;

(4) work cooperatively with any other group authorized by the General Assembly to study issues relating to low-level radioactive waste management and siting; and

(5) recommend by a written report to the General Assembly and its General Research Division, by 1 April 1988, those procedures and changes in the present law it may deem appropriate to expedite the resolution of issues regarding siting and management of low-level radioactive waste, including siting of low-level radioactive waste facilities, while effectively protecting the environment and safeguarding the public health.

(c) Notwithstanding any rule or resolution to the contrary, proposed legislation to implement the recommendations of this study may be introduced and considered during the 1988 Regular Session of the 1987 General Assembly.

(d) Consistent with existing law, each agency which appoints members of the Committee shall be responsible for any expenses incident to the participation of its appointees in the work of the Committee from funds otherwise appropriated to the agency. The Authority shall pay any costs of the study for which provision is not otherwise made in this section from funds otherwise appropriated to the Authority.

Sec. 24. (a) The Joint Select Committee on Low-Level Radioactive Waste, as appointed by the President of the Senate and the Speaker of the House of Representatives, acting as Cochairmen of the Joint Legislative Commission on Governmental Operations, on 18 September 1986, is confirmed as a joint committee of the General Assembly. The Committee shall consist of 12 members; six Senators appointed by the President of the Senate, and six Representatives appointed by the Speaker of the House of Representatives. The initial members of the Committee shall be those Senators and Representatives serving on the Committee as of the effective date of this act.

Vacancies on the Committee shall be filled in the same manner as initial appointments.

(b) The President shall designate one Senator as Cochairman and the Speaker shall designate one Representative as Cochairman. The initial Cochairmen shall be the Senator and Representative designated as Cochairmen of the Committee as of the effective date of this act.

(c) The Committee shall meet on the call of the Cochairmen.

(d) The Committee shall conduct an in-depth study of alternatives available to North Carolina for dealing with low-level radioactive waste and the ramifications of each of those alternatives.

(e) It is the intention of the General Assembly to establish an irrevocable trust fund with a principal of not less than ninety million dollars ($90,000,000) to be used to compensate the county or counties in which a low-level radioactive waste disposal facility is located. It is the intention of the General Assembly that the principal of the trust fund would be available only for such costs of health and safety measures as are directly related to the facility. It is the intention of the General Assembly that the income of the trust fund be paid to the general fund of the county in which a low-level radioactive waste disposal facility is located. The Joint Select Committee on Low-Level Radioactive Waste shall study the issue of compensation to the county in which a low-level radioactive waste disposal facility is located in the context of the intentions stated in this subsection and shall submit its findings and recommendations in a written report to the 1988 Regular Session of the 1987 General Assembly. The Committee shall include in its report recommendations as to how the trust fund will be funded, how it will be administered, and whether and on what basis other local governments in the vicinity of the facility should share in the distribution of the trust income. Notwithstanding any rule or resolution to the contrary, proposed legislation to implement the recommendations of this study may be introduced and considered during the 1988 Regular Session of the 1987 General Assembly.

(f) The Committee shall terminate as determined by the President of the Senate and the Speaker of the House of Representatives.

(g) Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional and clerical staff to assist in the work of the Committee. Clerical staff shall be furnished to the Committee through the offices of House and Senate supervisors of clerks. The expenses of employment of the clerical staff shall be borne by the Committee. The Committee may meet in the Legislative Building or the Legislative Office Building, upon the approval of the Legislative Services Commission.

(h) Members of the Committee shall be paid subsistence and travel allowances at the rate established in G.S. 120-3.1;

(i) The expenses of the Committee shall be paid from funds otherwise appropriated to the General Assembly.

Sec. 25. G.S. 104F-1 is amended as follows:

(a) Article V is amended by adding a new section to read:

"(e) No party state shall be required to operate a regional facility for longer than a 20-year period, or to dispose of more than 32,000,000 cubic feet of low-level radioactive waste, whichever first occurs.";

(b) Section (g) of Article VII is amended by rewriting the first sentence thereof to read:

"(g) Subject to the provisions of Article VII section (h), any party state may withdraw from this compact by enacting a law repealing the compact, provided that if a regional facility is located within such state, such regional facility shall remain available to the region for four years after the date the Commission receives verification in writing from the Governor of such party state of the rescission of the compact.";

(c) Article VII is amended by adding a new section (h) to read:

"(h) The right of a party state to withdraw pursuant to Article VII section (g) shall terminate thirty days following the commencement of operation of the second host state disposal facility. Thereafter a party state may withdraw only with the unanimous approval of the Commission and with the consent of Congress. For purposes of this section, the low-level radioactive waste disposal facility located in Barnwell County, South Carolina shall be considered the first host state disposal facility."; and

by redesignating the existing section (h) as section (i).

Sec. 26. Unless every party state to the Southeast Interstate Low-Level Radioactive Waste Management Compact (Compact) has enacted legislation to amend the Compact Law in force in that state in substantially the manner set out in section 25 of this act by 31 December 1988; and unless the Congress of the United States has amended the Low-Level Radioactive Waste Policy Amendments Act of 1985, Pub. L. No. 99-240, 99 Stat. 1842 (1986), so as to consent to the amendments to the Compact required to be made by this section on or before 31 December 1992; North Carolina shall withdraw from the Compact. The North Carolina Compact Commissioners shall certify to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Attorney General, and the Secretary of

State that the requirements of this section have, or have not, been met. In the event that the party states to the Compact have not enacted legislation to amend the Compact as required by this section by 31 December 1988, Chapter 104F of the General Statutes is repealed as of that date. In the event that the Congress has not amended the Low-Level Radioactive Waste Policy Amendments Act so as to consent to the amendments required to be made by this section by 31 December 1992, Chapter 104F of the General Statutes is repealed as of that date.

Sec. 27. (a) Notwithstanding any other provision of this act, this act shall not be construed as a revenue bill within the meaning of Section 23 of Article II of the Constitution of North Carolina. Any provision of this act contrary to this section is void.

(b) The provisions of this act are severable, and if any provision of this act is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions of the act which can be given effect without the invalid provision.

Sec. 28. Funds in the amount of four hundred thousand dollars ($400,000) that are appropriated for the 1987-88 fiscal year in Section 2 of Chapter 738 of the 1987 Session Laws to the Department of Administration, Reserve-Hazardous Waste, to begin initial work of surveying geological data and implementation process of a siting procedure for the low-level radioactive waste site, are transferred to the North Carolina Low-Level Radioactive Waste Management Authority. The Authority shall use these funds to defray the expenses of the Authority and of other State agencies which the Authority is authorized to reimburse to carry out the responsibilities of the Authority under the provisions of the North Carolina Low-Level Radioactive Waste Management Authority Act of 1987. The Council of State may upon request of the Authority allot additional funds from the Contingency and Emergency Fund when in the opinion of the Governor and Council of State such additional funds are required for the Authority to achieve the purposes of that Act. Any funds remaining at the end of the biennium shall revert to the General Fund of the State.

Sec. 29. Sections 1 through 27 of this act are effective upon ratification. Section 28 of this act is effective 1 July 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 657 **CHAPTER 851**

AN ACT TO CHANGE THE HOLIDAY FOR EASTER FROM EASTER MONDAY TO GOOD FRIDAY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 103-4(a)(8) is rewritten to read:

"(8) Good Friday."

Sec. 2. The last sentence of G.S. 103-4(a) is amended by deleting "Easter Monday", and substituting "Good Friday".

Sec. 3. G.S. 53-77.2A(a)(4) is amended by deleting "Easter Monday", and substituting "Good Friday".

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B 217 **CHAPTER 852**

AN ACT TO PROMOTE ECONOMIC DEVELOPMENT BY AUTHORIZING TAX CREDITS FOR CERTAIN BUSINESS INVESTMENTS AND BY AUTHORIZING THE CREATION OF NORTH CAROLINA CAPITAL RESOURCE CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 105 of the General Statutes is amended by adding at the end a new Division to read:

"Division V.

"Income Tax Credits for Qualified Business Investments.

"§ *105-163.091. Definitions.*--The following definitions apply in this Division:

(1) Affiliate. An individual or business that controls, is controlled by, or is under common control with another individual or business.

(2) Business. A corporation, partnership, association, or sole proprietorship operated for profit.

(3) Control. To have the power directly or indirectly to direct or cause the direction of the management or policies of a business, whether by ownership of voting securities, by contract, or otherwise. As used in this subdivision, the term 'voting security' means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(4) Equity security. Common stock, preferred stock, or an interest in a partnership, or subordinated debt that is convertible into, or entitles the holder to receive upon its exercise, common stock,

preferred stock, or an interest in a partnership.

(5) Financial institution. A business that is (i) a bank holding company, as defined in the Bank Holding Company Act of 1956, 12 U.S.C. §§ 1841 *et seq.*, or its wholly-owned subsidiary, (ii) registered as a broker-dealer under the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a *et seq.*, or its wholly-owned subsidiary, (iii) an investment company as defined in the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 *et seq.*, whether or not it is required to register under that act, (iv) a small business investment company as defined in the Small Business Investment Act of 1958, 15 U.S.C. §§ 661 *et seq.*, (v) a pension or profit-sharing fund or trust, or (vi) a bank, savings institution, trust company, financial services company, or insurance company; provided, however, that a business, other than a small business investment company, is not a financial institution if its net worth, when added to the net worth of all of its affiliates, is less than ten million dollars ($10,000,000); provided further, however, that a business is not a financial institution if it does not generally market its services to the public and it is controlled by a business that is not a financial institution.

(6) North Carolina Capital Resource Corporation. A corporation established in accordance with Article 2 of Chapter 53A of the General Statutes.

(7) Qualified business venture. A North Carolina business that (i) engages primarily in manufacturing, processing, warehousing, wholesaling, research and development, or a service-related industry, and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(8) Qualified grantee business. A North Carolina business that (i) has received during the preceding three years a grant or other funding from the North Carolina Technological Development Authority, the North Carolina Biotechnology Center, the Microelectronics Center of North Carolina, or the Federal Small Business Innovation Research Program, and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(9) Qualified investment organization. A business that (i) has as its primary business activity the investment in equity securities or subordinated debt of qualified business ventures or qualified grantee businesses and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(10) Security. A security as defined in Section 2(1) of the Securities Act of 1933, 15 U.S.C. § 77b(1).

(11) Subordinated debt. Indebtedness that (i) by its terms matures five or more years after its issuance, (ii) is not secured, and (iii) is subordinated to all other indebtedness of the issuer issued or to be issued to a financial institution other than a financial institution described in subdivisions (5)(ii) through (5)(v) of this section. Any portion of indebtedness that matures earlier than five years after its issuance is not subordinated debt.

"§ *105-163.092. Income tax credit allowed.*--(a) Corporations. Subject to the limitations contained in G.S. 105-163.093, a corporation that invests in the equity securities of a North Carolina Capital Resource Corporation or a qualified investment organization is allowed as a credit against the tax imposed by Division I of this Article for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or seven hundred fifty thousand dollars ($750,000), whichever is less. The credit may not be taken for the year in which the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made.

(b) Individuals. Subject to the limitations contained in G.S. 105-163.093, an individual who invests in the equity securities or subordinated debt of (i) a North Carolina Capital Resource Corporation, (ii) a qualified investment organization, (iii) a qualified business venture, or (iv) a qualified grantee business is allowed as a credit against the tax imposed by Division II of this Article for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or one hundred thousand dollars ($100,000), whichever is less. The credit may not be taken for the year in which the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made.

(c) Application. To be eligible for the income tax credit provided in this section, the taxpayer must file an application for the credit with the Secretary of Revenue on or before April 15 of the year following the calendar year in which the investment was made. The application shall be on a form prescribed by the Secretary and shall include any supporting documentation that the Secretary may require.

(d) Penalties. The penalties provided in G.S. 105-236 apply in this Division.

"§ *105-163.093. Limit; carry-over; ceiling.*--(a) The credit allowed a taxpayer under G.S. 105-163.092 may not exceed the amount of tax imposed by Division I or II of this Article for the taxable year reduced by the sum of all other credits allowable except tax payments made by

or on behalf of the taxpayer. The amount of unused credit allowed under G.S. 105-163.092 may be carried forward for the next five succeeding years.

(b) The total amount of all tax credits allowed to taxpayers under G.S. 105-163.092 for investments made in a calendar year may not exceed twelve million dollars ($12,000,000). The Secretary of Revenue shall calculate the total amount of tax credits claimed from the applications filed pursuant to G.S. 105-163.092(c). If the total amount of tax credits claimed for investments made in a calendar year exceeds twelve million dollars ($12,000,000), the Secretary shall allow a portion of the credits claimed on the following basis:

(1) A total of six million dollars ($6,000,000) in tax credits for investments in North Carolina Capital Resource Corporations shall be allocated among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer.

(2) A total of six million dollars ($6,000,000) in tax credits for investments in qualified investment organizations, qualified business ventures, and qualified grantee businesses shall be allocated among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer.

(3) If the total amount of the credits claimed by taxpayers for the investments described in either subdivision (1) or (2) is less than six million dollars ($6,000,000), the Secretary shall allow additional credits for the investments described in the other subdivision until the total amount of all tax credits allowed equals twelve million dollars ($12,000,000).

(c) If a credit claimed under G.S. 105-163.092 is reduced as provided in this section, the Secretary shall notify the taxpayer of the amount of the reduction of the credit on or before December 31 of the year following the calendar year in which the investment was made. The Secretary's allocations based on applications filed pursuant to G.S. 105-163.092(c) are final and shall not be adjusted to account for credits applied for but not claimed.

"§ *105-163.094. Registration.*--(a) Qualified Investment Organizations. In order to qualify as a qualified investment organization under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State an application in which the business certifies the following facts:

(1) It intends to invest at least seventy percent (70%) of its capital in equity securities or subordinated debt of qualified business ventures or qualified grantee businesses;
(2) It has an initial capitalization of at least five million dollars ($5,000,000), of which no more than two million dollars ($2,000,000) is to be contributed pursuant to binding commitments;
(3) It does not own the securities of any business for the purpose of operating the business or for any purpose other than as an investment for future sale;
(4) It is controlled by a financial institution or is not controlled by another business; and
(5) It was not organized to invest in only one business or one group of businesses that conduct the same or a similar type of business activity.

To remain qualified as a qualified investment organization under this Division, the business must renew its registration annually by filing an application for renewal in which the business certifies the facts required in the original application and describes its investments in qualified business ventures and qualified grantee businesses. Upon termination of the qualified investment organization, it shall file a final report describing its investments in qualified business ventures and qualified grantee businesses and certifying that it invested at least seventy percent (70%) of its capital in equity securities or subordinated debt of such businesses.

If a qualified business venture in which the qualified investment organization has invested fails to file an application for renewal of registration under subsection (b) of this section or if the registration of the qualified business venture is revoked by the Secretary of State, any investment by the qualified investment organization in the business venture within five years after the qualified investment organization's initial investment in the business venture is, for the purpose of this Division, an investment in a qualified business venture.

(b) Qualified Business Ventures. In order to qualify as a qualified business venture under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State a financial statement certified by an independent certified public accountant for its most recent fiscal year showing revenues, as determined in accordance with generally accepted accounting procedures, of five million dollars ($5,000,000) or less on a consolidated basis and an application in which it certifies the following

facts:

(1) Its headquarters and principal business operations are in North Carolina or it has, as a condition of an investment eligible for a credit under this Division, agreed to establish its headquarters and principal business operations in North Carolina within three months after the investment is made;

(2) It has, as a condition of an investment eligible for a credit under this Division, agreed to retain its headquarters and principal business operations in North Carolina for at least three years after the investment is made;

(3) It is organized to engage primarily in manufacturing, processing, warehousing, wholesaling, research and development, or a service-related industry; and

(4) It does not engage as a substantial part of its business in construction, contracting, selling goods at retail, or the purchase, sale, development, or holding for investment of commercial paper, financial instruments, securities, or real property, or otherwise make investments.

To remain qualified as a qualified business venture, the business must renew its registration annually by filing a financial statement for the most recent fiscal year and an application for renewal in which the business certifies the facts required in the original application and that it has not moved its headquarters or principal business operations out of North Carolina.

(c) Qualified Grantee Businesses. In order to qualify as a qualified grantee business under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State an application in which the business certifies the following facts:

(1) Its headquarters and principal business operations are in North Carolina or it has, as a condition of an investment eligible for a credit under this Division, agreed to establish its headquarters and principal business operations in North Carolina within three months after the investment is made;

(2) It has, as a condition of an investment eligible for a credit under this Division, agreed to retain its headquarters and principal business operations in North Carolina for at least three years after the investment is made; and

(3) It has received during the preceding three years a grant or other funding from the North Carolina Technological Development Authority, the North Carolina Biotechnology Center, the Microelectronics Center of North Carolina, or the Federal Small Business Innovation Research Program.

To remain qualified as a qualified grantee business, the business must renew its registration annually by filing an application for renewal in which the business certifies the facts required in the original application and that it has not moved its headquarters or principal business operations out of North Carolina.

(d) Application Forms; Fees. Applications for registration and for renewal of registration under this section shall be in such form as the Secretary of State may prescribe. The Secretary may, by rule, require applicants to furnish supporting information in addition to the information required by subsections (a), (b), and (c) of this section. The Secretary shall prepare blank forms for the applications and shall distribute them throughout the State and furnish them on request. Each application shall be signed by the owners of the business or, in the case of a corporation, by its president, vice-president, treasurer, or secretary. There shall be annexed to the application the affirmation of the person making the application in the following form: 'Under penalties prescribed by law, I certify and affirm that to the best of my knowledge and belief this application is true and complete.'

The fee for filing an application for registration under this section shall be one hundred dollars ($100.00). The fee for filing an application for renewal of registration under this section shall be fifty dollars ($50.00).

(e) Revocation of Registration. If the Securities Division of the Department of the Secretary of State finds that any of the information contained in an application of a business registered under this section is false, it shall revoke the registration of the business.

"§ *105-163.095. Forfeiture of credit.*--If the Commissioner of Banks certifies that a North Carolina Capital Resource Corporation has failed to comply with the requirements of Article 2 of Chapter 53A of the General Statutes, every taxpayer who has received a tax credit under this Division for an investment in the corporation made during the preceding five years forfeits the credit. If a qualified investment organization fails to file an application for renewal of registration under G.S. 105-163.094 or if its registration is revoked by the Secretary of State, every taxpayer who has received a tax credit under

this Division for an investment in the organization made during the preceding five years forfeits the credit.

A taxpayer who has received a tax credit under this Division for an investment in a qualified business venture or qualified grantee business forfeits the credit if, within three years after the investment was made, (i) he participates in the operation of the qualified business venture or qualified grantee business, (ii) the qualified business venture or qualified grantee business fails to file an application for renewal of registration under G.S. 105-163.094, or (iii) the registration of the qualified business venture or qualified grantee business is revoked by the Secretary of State. For the purpose of this section, a taxpayer participates in the operation of a qualified business if the taxpayer, his spouse, parent, or child, or an employee of any of these individuals or of a business controlled by any of these individuals, provides services of any nature to the qualified business for compensation, whether as an employee, a contractor, or otherwise. However, a person who serves as a member of the board of directors of a business does not participate in its operation if he performs only the functions ordinarily performed by directors and receives as compensation only reasonable reimbursement of expenses incurred in serving as a director. A person who owns stock in a business does not participate in its operation if he performs only the functions ordinarily performed by shareholders.

A taxpayer who forfeits a credit under this section is liable for all past taxes avoided as a result of the credit plus interest at the rate established under G.S. 105-241.1(i), computed from the date the taxes would have been due if the credit had not been allowed. The past taxes and interest are due 30 days after the date the credit is forfeited; a taxpayer who fails to pay the past taxes and interest by the due date is subject to the penalties provided in G.S. 105-236."

Sec. 2. Chapter 53A of the General Statutes is amended as follows:

(1) By rewriting the title of that Chapter to read: "Business Development Corporations and North Carolina Capital Resource Corporations.";

(2) By deleting the word "Chapter" everywhere it appears except in the heading of the Chapter and substituting the word "Article";

(3) By designating G.S. 53A-1 through G.S. 53A-18 as Article 1 of that Chapter, entitled "Business Development Corporations."; and

(4) By adding at the end a new Article to read:

"Article 2.

"North Carolina Capital Resource Corporations.

"§ *53A-20. Definitions.*--The following definitions apply in this Article:

(1) Affiliate. An individual or business that controls, is controlled by, or is under common control with another individual or business.

(2) Business. A corporation, partnership, association, or sole proprietorship operated for profit.

(3) Control. To have the power directly or indirectly to direct or cause the direction of the management or policies of a business, whether by ownership of voting securities, by contract, or otherwise. As used in this subdivision, the term 'voting security' means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(4) Equity security. Common stock, preferred stock, or an interest in a partnership, or subordinated debt that is convertible into, or entitles the holder to receive upon its exercise, common stock, preferred stock, or an interest in a partnership.

(5) Financial institution. An insurance company, banking corporation, trust company, savings and loan association, credit union, or other entity principally engaged in the business of lending money or receiving or soliciting money on deposit.

(6) Mezzanine finance. An investment in the equity securities or subordinated debt of a North Carolina investment business.

(7) North Carolina investment business. A business whose headquarters and principal business operations are located in North Carolina and which, together with its affiliates on a consolidated basis, had gross income during the immediately preceding fiscal year, determined in accordance with generally accepted accounting principles without taking into account extraordinary items, of less than forty million dollars ($40,000,000).

(8) Security. A security as defined in Section 2(1) of the Securities Act of 1933, 15 U.S.C. § 77b(1).

(9) Subordinated debt. Indebtedness that (i) by its terms matures five or more years after its issuance, (ii) is not secured, and (iii) is subordinated to all other indebtedness of the issuer issued or to be issued to a financial institution. Any portion of indebtedness that matures earlier than five years after its issuance is not subordinated debt.

"§ *53A-21. Incorporation authorized.*--(a) Fifteen or more persons, a majority of whom are residents of this State, may, by filing a certificate of incorporation as provided in subsection (b), incorporate a North Carolina Capital Resource Corporation under the provisions of this Article. The purpose of the corporation shall be to promote, stimulate, develop, and advance the business prosperity and economic welfare of the State by providing mezzanine finance to North Carolina investment businesses that otherwise lack access to the financing necessary to undergo expansion or restructuring to remain competitive and meet new market demands and that have the potential to create high-quality jobs and to diversify and stabilize the State's economic base; and to provide mezzanine finance to otherwise stimulate and assist in the expansion of business activity to promote economic development and maintain the economic stability of the State, provide maximum opportunities for employment, encourage thrift, and improve the standard of living of the citizens of this State.

(b) Persons who wish to associate themselves for the purpose of establishing a North Carolina Capital Resource Corporation shall file a certificate of incorporation with the Secretary of State. The certificate shall be in accordance with the provisions of G.S. 55-7 and shall set forth:

(1) The name of the corporation, which shall include the words 'North Carolina Capital Resource Corporation';
(2) The location of the principal office of the corporation and the names and addresses of the incorporators who shall manage the affairs of the corporation until the first meeting of the holders of common stock;
(3) The specific purpose for which the corporation is formed;
(4) Any provisions, not inconsistent with law, that the incorporators wish to insert for the regulation of the affairs of the corporation or to create, define, limit, or regulate the powers of the corporation; and
(5) The provisions relating to capital stock set out in G.S. 53A-22.

"§ *53A-22. Capital stock; provisions of certificates of incorporation.*--The certificate of incorporation shall set forth the amount of total authorized capital stock and the number of shares in which it is divided, the par value of each share, the amount of capital stock with which it will commence business, and, if there is more than one class of stock, a description of the different classes, the names and post-office addresses of the subscribers of stock, the number of shares subscribed by each, and the number of shares subscribed that are not fully paid for. The aggregate of the subscription shall be the amount

of capital with which the corporation will commence business. The certificate of incorporation shall be accompanied by a certificate from each depository holding on deposit the funds of the corporation, certifying the amount of funds on deposit to the credit of the corporation.

"§ *53A-23. Approval and filing of certificates; authority of incorporators.*--Before the certificate of incorporation may become effective, it shall be approved by the Commissioner of Banks and, from the date the certificate of incorporation is filed with the Secretary of State, with a copy of the Commissioner's certificate of approval, the stock subscribers shall become a body corporate by the name specified in the certificate, subject to amendment and dissolution as provided in this Article. Any bylaws or regulations adopted by the directors of the corporation and any amendments to the bylaws or regulations shall be filed with the Secretary of State.

"§ *53A-24. Powers.*--A North Carolina Capital Resource Corporation created under this act shall have all the powers conferred on business corporations by Chapter 55 of the General Statutes subject to the provisions of G.S. 53A-26 and to the following restrictions:

(1) The corporation may not incur any secondary liability by way of guaranty or endorsement of the obligations of any person or entity.

(2) The corporation may not make any loan to or investment in a business unless the business can demonstrate that it applied for financing through ordinary private financial channels and the application was refused by at least two financial institutions.

(3) The corporation may not invest in a business if the funds invested are to be used by the business (i) to acquire, whether by purchase, merger, consolidation, or otherwise, the securities of another business, all or substantially all of the assets of another business, or any of its own securities, (ii) to decrease its own indebtedness by more than ten percent (10%), or (iii) to establish or expand production operations outside of North Carolina. For the purpose of this section, the funds invested have been used by a business for one of these prohibited purposes if (i) they are used to repay indebtedness incurred to achieve the prohibited purpose, (ii) assets acquired with the funds are used to secure indebtedness incurred to achieve the prohibited purpose, or (iii) within one year before or after the investment is made, the business achieves the prohibited purpose.

"§ *53A-25. Board of directors; officers.*--The business and affairs of the North Carolina Capital Resource Corporation shall be managed and conducted by a board of directors, a president, a treasurer, and such other officers and agents as the corporation by its bylaws shall authorize. A board of directors comprised of at least nine members shall be elected in the first instance by the incorporators and thereafter annually by the voting common stock shareholders in accordance with the following conditions:

(1) At least a majority of the directors shall be representatives of North Carolina financial institutions who represent a reasonable balance of the relative proportion of investment in the common stock of the corporation by financial institutions;

(2) At least one member shall be a representative of venture capitalists or investment counselors who are familiar with the types of investments to be made by the corporation; and

(3) At least two members shall represent industries in primary, job-creating business sectors of special importance to the North Carolina economy.

The board of directors shall conduct a national search and select a president for the corporation who meets national standards of experience,. ability, and initiative for chief executive officers of other corporations engaged in investments of the type to be undertaken by the corporation.

"§ *53A-26. Investment committee.*--The board of directors shall form an investment committee to evaluate and act upon specific investments. A North Carolina Capital Resource Corporation may not make investments except in accordance with the following provisions:

(1) The corporation shall, to the maximum extent practicable, invest and reinvest its funds in investments that meet the terms and conditions provided in G.S. 53A-27. Within five years after receipt of any capital, the corporation shall invest at least ninety percent (90%) of that capital in investments that meet the terms and conditions provided in G.S. 53A-27.

(2) Funds not invested in these investments may be invested and reinvested in securities that constitute marketable general obligations of this State or its political subdivisions. The corporation shall dispose of the securities from time to time as may be appropriate to provide funds to invest in the investments described in subdivision (1).

(3) Funds not invested in the investments described in subdivision (1) or (2) may be deposited in federally insured financial institutions whose principal place of business is in this State.

"§ *53A-27. Primary investments.*--The primary investments of a North Carolina Capital Resource Corporation shall meet the following terms and conditions:

(1) Investments shall be in North Carolina investment businesses that have significant potential to create jobs and diversify and stabilize the economy of this State.

(2) Investments may not be made in a business whose primary activity is real estate development, acting as a financial intermediary, or construction contracting, or who is a public utility.

(3) Investments may not be made in a business whose primary activity is selling goods at retail, unless the investment is in a division of the business whose primary activity is not selling goods at retail.

(4) The investments shall be in mezzanine finance.

(5) Total investments in any one business may not exceed ten percent (10%) of the equity capital of the North Carolina Capital Resource Corporation.

"§ *53A-28. Amendment of charter.*--The charter of a North Carolina Capital Resource Corporation may be amended by the votes of the stockholders of the corporation, voting separately by classes. The amendments shall require approval by the affirmative vote of two-thirds (2/3) of the votes to which the stockholders are entitled. No amendment that is inconsistent with the provisions of this Article may be made. Within 120 days after any meeting at which an amendment of the charter has been adopted, articles of amendment signed and sworn to by the president, treasurer, and a majority of the directors, setting forth the amendment and its due adoption, shall be submitted to the Secretary of State, who shall examine them and, if he finds that they conform to the requirements of this Article, shall so certify and endorse his approval thereon. Thereupon, the articles of amendment shall be filed in the office of the Secretary of State; no amendment shall take effect until articles of amendment have been filed in the office of the Secretary of State.

"§ *53A-29. Earned surplus requirements; determination of net earnings and surplus.*--Each year the North Carolina Capital Resource Corporation shall set apart as earned surplus not less than ten percent (10%) of its net earnings for the preceding fiscal year until such surplus shall be equal in value to one-half (1/2) of the amount paid in

on the capital stock then outstanding. Whenever the amount of surplus established becomes impaired, it shall be built up again to the required amount in the manner provided for its original accumulation. Net earnings and surplus shall be determined by the board of directors, after providing for such reserves as the directors deem desirable, and the directors' determination made in good faith shall be conclusive.

"§ *53A-30. Deposits by corporation in financial institution.*--A North Carolina Capital Resource Corporation may not deposit any of its funds in a financial institution unless the institution has been designated as a depository by a vote of a majority of the directors present at an authorized meeting of the board of directors, exclusive of any director who is an officer or director of the depository so designated.

"§ *53A-31. Examinations and reports.*--North Carolina Capital Resource Corporations shall be subject to the examination of the Commissioner of Banks. Within 60 days after the end of each fiscal year, every North Carolina Corporation shall report to the Commissioner of Banks who shall make copies of the reports available to the Commissioner of Insurance, the Governor, the State Treasurer, and the General Assembly. Each report shall include:

(1) An analysis of the condition of the corporation;

(2) The manner in which the corporation has carried out its purpose;

(3) The total annual investments by the corporation in North Carolina businesses;

(4) An estimate of jobs created or preserved by the investments;

(5) An analysis of the corporation's diversification of its loans and investments by size, business sector, and geographic location; and

(6) Any other information required by the Commissioner of Banks.

"§ *53A-32. Tax credit.*--A person or corporation that invests in the equity securities of a North Carolina Capital Resource Corporation may be entitled to a tax credit as provided in G.S. 105-163.092.

"§ *53A-33. Duration of corporation.*--The period of duration of the corporation shall be 50 years.

"§ *53A-34.Charter void unless business begun; Article void unless corporation organized.*--If a corporation organized pursuant to this Article fails to begin business within three years after the effective date of its charter then its charter is null and void. If, at the expiration of three years after July 1, 1987, no corporation has been organized

pursuant to this Article, then on that date this Article shall expire."

Sec. 3. Section 1 of this act is effective for taxable years beginning on or after January 1, 1988. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 293 **CHAPTER 853**

AN ACT TO REVISE THE LEGAL BANKING HOLIDAYS AND TO MAKE TECHNICAL AMENDMENTS TO THE INTEREST LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 53-77.2A reads as rewritten:

"*§ 53-77.2A. Legal banking holidays.*--(a) Any bank, as defined by G.S. 53-1 or G.S. 53-136, including national banking associations, ~~and federal reserve banks,~~ and ~~or~~ any branch or office of any of the foregoing located in this State, which operates on a five-day or six-day week basis, ~~may~~ shall observe as legal banking holidays the following:

(1) New Year's Day, January 1;
(2) Monday, January 2, when January 1 (New Year's Day) falls on a Sunday;
(3) Monday, January 3, when January 1 (New Year's Day) falls on a Saturday;
(4) ~~Easter Monday;~~ President's Day, the third Monday in February;
(4a) Good Friday;
(5) Memorial Day, the last Monday in May;
(6) Independence Day, July 4;
(7) Monday, July 5, when July 4 (Independence Day) falls on a Sunday;
(8) ~~Monday, July 6,~~ Friday, July 3, when July 4 (Independence Day) falls on a Saturday;
(9) Labor Day, the first Monday in September;
(10) Thanksgiving Day, the fourth Thursday in November;
(11) Christmas Day, December 25;
(12) ~~December 26;~~ Monday, December 26, when December 25 (Christmas Day) falls on a Sunday;
(13) Monday, December 27, when December 25 (Christmas Day) falls on a Saturday.

(b) Any banking institution as ~~hereinabove~~ defined in subsection (a), operating on a six-day week basis, may, in addition to the above-named legal banking holidays, observe all other legal public holidays designated by G.S. 103-4.

~~(c) Notwithstanding subsections (a) and (b), any banking institution as hereinabove defined, whether operating on a five-day or six-day week basis may remain open on any legal holiday that it may observe as set forth above by notifying the Commissioner of Banks, in writing, 30 days prior to the legal holiday on which it wishes to remain open.~~"

Sec. 2. G.S. 103-4(a) is amended by deleting the last sentence.

Sec. 3. Chapter 54B of the General Statutes of North Carolina is amended by adding a new section to read as follows:

"§ *54B-110. Holidays.*--(a) Each State and federal association, including every branch or office thereof, domiciled in North Carolina shall observe the following as legal holidays and shall not open for the transaction of business with the public on those days:

(1) New Year's Day, January 1;
(2) Monday, January 2, when January 1 (New Year's Day) falls on Sunday;
(3) Monday, January 3, when January 1 (New Year's Day) falls on a Saturday;
(4) President's Day, the third Monday in February;
(5) Good Friday;
(6) Memorial Day, the last Monday in May;
(7) Independence Day, July 4;
(8) Monday, July 5, when July 4 (Independence Day) falls on a Sunday;
(9) Friday, July 3, when July 4 (Independence Day) falls on a Saturday;
(10) Labor Day, the first Monday in September;
(11) Thanksgiving Day, the fourth Thursday in November;
(12) Christmas Day, December 25;
(13) Monday, December 26, when December 25 (Christmas Day) falls on a Sunday;
(14) Monday, December 27, when December 25 (Christmas Day) falls on a Saturday.

(b) Any association may, in addition to the holidays listed above, observe as a holiday any other day designated as a holiday by the association's Board of Directors."

Sec. 4. The last sentence in the second full paragraph of G.S. 24-1.1A(a)(4), as is contained in Section 1 of Chapter 444 of the 1987 Session Laws (First Session, 1987), and the last sentence in G.S. 24-1.2(2a) are amended by inserting the word "during" after the phrase

"such loans during a month" and before the phrase "the term of the loan".

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 484 **CHAPTER 854**

AN ACT TO EXEMPT COIN-OPERATED LAUNDRIES FROM SALES TAX AND TO AMEND THE DEFINITION OF SALES PRICE FOR PURPOSES OF DETERMINING SALES TAX DUE ON ITEMS SOLD IN VENDING MACHINES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.4(4) reads as rewritten:

"(4) Every person, firm or corporation engaged in the business of operating a pressing club, cleaning plant, hat-blocking establishment, dry-cleaning plant, laundry (including wet or damp wash laundries and businesses known as launderettes and launderalls), or any similar-type business, or engaged in the business of renting clean linen or towels or wearing apparel, or any similar-type business, or engaged in the business of soliciting cleaning, pressing, hat blocking, laundering or rental business for any of the aforenamed businesses, shall be considered 'retailers' for the purposes of this Article. There is hereby levied upon every such person, firm or corporation a tax of three percent (3%) of the gross receipts derived from services rendered in engaging in any of the occupations or businesses named in this subdivision, and every person, firm or corporation subject to the provisions of this subdivision shall register and secure a license in the manner hereinafter provided in this section, and, insofar as practicable, all other provisions of this Article shall be applicable with respect to the tax herein provided for. The tax imposed by this subdivision does not apply to receipts derived from coin or token-operated washing machines, extractors, and dryers. The taxes levied in this subdivision are additional privilege or license taxes for the privilege of engaging in the occupations or businesses named herein. Any person, firm or corporation engaged in cleaning, pressing, hat blocking, laundering for, or supplying clean linen or towels or wearing apparel to, another person, firm or corporation engaged in soliciting shall not be required to pay the three percent (3%) tax on its gross receipts derived through such solicitor, if the soliciting person, firm or corporation has registered with the Department, secured the license hereinafter required and has paid the tax at the rate of three percent (3%) of the total gross receipts derived from business

solicited."

Sec. 2. The first sentence of G.S. 105-164.3(16) is amended by deleting the phrase "'Sales price'" and substituting the phrase "Except as provided in paragraph f., 'sales price'".

Sec. 3. G.S. 105-164.3(16) is further amended by adding a new paragraph to read:

"f. The sales price of tangible personal property sold through a coin-operated vending machine, other than closed-container soft drinks subject to excise tax under Article 2B of this Chapter or tobacco products, is considered to be fifty percent (50%) of the total amount for which the property is sold in the vending machine."

Sec. 4. Sections 2 and 3 of this act shall become effective July 1, 1989, and apply to sales made on or after that date. The remainder of this act shall become effective July 1, 1988, and applies to services rendered and sales made on or after that date.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 755 **CHAPTER 855**

AN ACT TO PROVIDE A SITE TO THE UNITED STATES DEPARTMENT OF ENERGY FOR A SUPERCONDUCTING SUPER COLLIDER.

The General Assembly of North Carolina enacts:

Section 1. Purpose. The General Assembly finds that the acquisition, dedication, and use of the real property authorized to be acquired by this act for the establishment of a superconducting super collider in North Carolina will lead to the educational, scientific, and economic development of the State and its people and hereby declares such acquisition, dedication, and use to serve a public purpose and to be for the benefit of the people of the State.

Sec. 2. Acquisition by the State. The Department of Administration may acquire for a superconducting super collider in fee simple or in any lesser interest including negative easements, in the name of and on behalf of the State of North Carolina, by donation, purchase, or condemnation pursuant to the provisions of G.S. 146-24 and 146-24.1:

(1) those lands together with any improvements thereon, in Durham, Granville, and Person Counties, determined to be necessary for a site on which to locate and construct a superconducting super collider in accordance with specifications of the Secretary of the United States Department of Energy for the superconducting super

collider;

(2) easements for roads and access to various points to and around the site;

(3) easements for the purpose of bringing utilities onto the site and for the distribution of utilities to service areas around the site;

(4) temporary easements to facilitate construction, including easements for temporary roads; and

(5) off-site locations for the disposition of materials and spoils excavated from the site, and rights-of-way for access to such areas.

The specific location of the real property to be acquired shall be determined by the Governor and the Council of State.

Sec. 3. Acquisition by the United States; reimbursement of expenses. The United States, by condemnation or other judicial proceedings, may acquire title to any tract or parcel of land together with any improvements thereon, in Durham, Granville, and Person Counties, determined to be necessary for a site on which to locate and construct a superconducting super collider in accordance with specifications of the Secretary of the United States Department of Energy for the superconducting super collider.

The State of North Carolina is authorized to reimburse the United States for any and all awards of just compensation that may be made in any such condemnation or judicial proceedings.

Sec. 4. Right of entry. The Department of Administration, the United States Department of Energy, and their agents and contractors, shall have the right to enter upon any lands to make surveys, borings, examinations, and appraisals as may be necessary or required by the United States Department of Energy or the Department of Administration in connection with the selection and acquisition of a site for a superconducting super collider and for easements and other property interests necessary for the purposes of this act. Entry pursuant to this act shall not be a trespass or taking of property. The Department of Administration shall make reimbursement for any damages to real property resulting from activities authorized by this section. Any property owner shall be entitled to bring a civil action in Superior Court of the county in which the real property is located to recover for any such damages for which he has not been reimbursed.

Sec. 5. Agreements with the United States; use of appropriated or donated funds. Notwithstanding the provisions of G.S. 146-36, and with the concurrence of the Council of State, the Governor may enter into any contract, conveyance, or other agreement to acquire for and to convey to the United States of America land or any interest in land,

and to do such other acts and things as may be necessary to implement the provisions of this act. In carrying out the provisions of this act, the Department of Administration may use funds which have been or may be appropriated for the acquisition of the site for the superconducting super collider or which may otherwise be authorized or which may have been received from gifts, devises, donations, bequests, or other sources for such purposes.

Sec. 6. Jurisdiction. The Governor and Council of State are authorized to grant concurrent jurisdiction on behalf of the State of North Carolina to the United States of America in those lands in which an interest is held by the United States of America pursuant to this act. The State of North Carolina shall continue to exercise jurisdiction in all lands covered by this act.

Sec. 7. Unused land to State. In the event that the superconducting super collider is not built on land conveyed to the United States by the State for that purpose, or that the scope of the project is so reduced that a portion of the land is not required, title to the property or to an appropriate portion thereof shall revert to the State of North Carolina upon the release of the property by the United States. In the event that the superconducting super collider is not built on land condemned by the United States for that purpose, or that the scope of the project is so reduced that a portion of the land is not required, title to the property or to an appropriate portion thereof shall vest in the State of North Carolina upon the release of the property by the United States.

Sec. 8. The North Carolina Environmental Policy Act of 1971, Article 1 of Chapter 113A of the General Statutes, shall not apply to this act or to any action taken pursuant to this act.

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1307 **CHAPTER 856**

AN ACT TO PROVIDE FOR THE TRANSFER OF THE LENOX BAKER HOSPITAL TO DUKE UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. The below described land and improvements together with property installed in the buildings and other movable equipment and supplies shall be transferred by the State of North Carolina to Duke University:

All of that tract, parcel or lot of land, situated, lying and being in Durham Township, in Durham County, State of North Carolina, and more particularly described as follows:

Beginning on an iron pipe in the northerly side of Erwin Road, said pipe being 1078.5 feet in a southwesterly direction from the boundary line between the property owned by Asa Day and Duke University lands, said boundary line being the westerly property line of Asa Day, and running thence North 46 degrees 00' West 572 feet to an iron pipe in the center of a small branch; thence along and with the center of said Branch the following courses and distances: South 53 degrees 50' West 60 feet, South 48 degrees 50' West 107 feet, south 51 degrees 30' West 78 feet, South 71 degrees 00' West 88 feet, South 48 degrees 05' West 77 feet and south 61 degrees 50' West 108.3 feet to an iron stake on the south bank of said branch; thence south 46 degrees 00' East 165 feet to an iron pipe; thence south 34 degrees 00' West 300 feet to an iron pipe; thence south 46 degrees 00' East 411.9 feet to an iron pipe in the northerly side of Erwin Road; thence along and with the northerly side of Erwin Road in a northeasterly direction, North 54 degrees 00' East 201.7 feet to a point; thence continuing along and with the northerly side of Erwin Road 202 feet to a point; thence continuing along and with the northerly side of Erwin Road North 44 degrees 00' East 400 feet to an iron pipe, the point and place of beginning, containing 10.31 acres more or less.

Save and excepting therefrom the following described property conveyed to the City of Durham by deed recorded in Book 183, page 25, Durham County Registry:

Beginning at a point in the line of Duke University which point is North 48 degrees 41' West 349.8 feet from an iron pin located on the Western side of Erwin Road, it being also in the southern line of the property conveyed by Duke University to the State of North Carolina for the Spastic Hospital; and running thence from said point of beginning North 11 degrees 40 ' East 23.4 feet to a manhole; thence North 33 degrees 32' East 163.5 feet to a manhole; thence North 58 degrees 30' East 139 feet to a manhole; thence North 58 degrees 30' East 182.3 feet to a manhole; thence North 29 degrees 00' East 109 feet to a manhole; thence North 29 degrees 00' East 208.6 feet to a point in the line of Duke University property, said point being South 29 degrees 00' West 63.8 feet from a manhole Station No. 20, plus 17.8 in the property of Duke University, same being the centerline of an easement twenty five (25) feet in width twelve and one-half (12 1/2) feet in width on each side of said center, as shown on map showing right of way required for Veterans Hospital Outfall, dated November 1947 prepared by Water and Sewer Department, Durham, North Carolina, and of record in Plat Book 20, at page 66, Registry of

Durham County, to which said map reference is hereby made for a more accurate and detailed description.
Together with any and all property now owned by the State of North Carolina which is adjacent and contiguous to the above property which is presently used as a part of the grounds or facilities of Lenox Baker Children's Hospital.

Sec. 2. The transfer made by Section 1 of this act shall be evidenced by a deed executed under G.S. 146-75 and registered in accordance with G.S. 146-77.

Sec. 3. Article 9 of Chapter 131E of the General Statutes does not apply to the transfer made under this act.

Sec. 4. The State of North Carolina shall continue the funding and operation of the Developmental Evaluation Center based at the Duke University Medical Center for a minimum period of five years from the effective date of the transfer.

Sec. 5. Employees of Lenox Baker Hospital shall be provided benefits in accordance with G.S. 143-27.2 and any other benefits to which they may be entitled.

Sec. 6. The unexpended portion of the capital improvement reserve in the Department of Human Resources for Lenox Baker Hospital, code 48557, item 5810, shall be reverted to the General Fund effective June 30, 1987.

Sec. 7. There is appropriated from the General Fund to Duke University the sum of four hundred forty-four thousand dollars ($444,000) for fiscal year 1987-88 to construct a therapeutic pool for Lenox Baker Hospital.

Sec. 8. Up to seven hundred twenty-four thousand sixty-one dollars ($724,061) of the funds appropriated for fiscal year 1987-88 in Chapter 738, Session Laws of 1987 to the Department of Human Resources, Division of Health Services, for the operation of Lenox Baker Hospital may be used for the following purposes:

(1) Operation of Lenox Baker Hospital from July 1, 1987, to November 1, 1987.

(2) Payments of benefits in accordance with G.S. 143-27.2 and any other benefits to which employees may be entitled.

All such unexpended funds for fiscal year 1987-88 will revert to the General Fund on December 31, 1987.

Sec. 9. Of the funds appropriated to the Department of Human Resources, Division of Health Services in Chapter 738 of the 1987 Session Laws for the operation of Lenox Baker Hospital, the sum of ninety-one thousand five hundred twenty-three dollars ($91,523) for the 1987-88 fiscal year and the sum of ninety-one thousand five hundred twenty-three dollars ($91,523) for the 1988-89 fiscal year is

transferred to the Department of Public Education to be used to provide three twelve-month teaching positions to the Durham County School system. These funds are to be used to continue educational services to the children at Lenox Baker Hospital that had previously been provided by the Department of Human Resources.

Sec. 10. In addition to the transfers in Section 1 of this act, appropriate medical records and accounts shall be transferred to Duke University upon transfer of the hospital. All Lenox Baker Hospital accounts receivable outstanding at the date of transfer will become the property of Duke University.

Sec. 11. The Board of Directors for Lenox Baker Hospital is abolished as a State agency effective on the effective date of the transfer provided by Section 18 of this act. Any assets of the Board of Directors of Lenox Baker Hospital, including those provided for by Chapter 279, Session Laws of 1987, shall continue to be held by that board as reconstituted as the Lenox Baker Children's Hospital Foundation, in trust for the same purposes.

Sec. 12. G.S. 105A-2(1)j. reads as rewritten:

"j. State facilities as listed in G.S. 122C-181(a). School for the Deaf at Morganton, North Carolina Sanatorium at McCain, Western Carolina Sanatorium at Black Mountain, Eastern North Carolina Sanatorium at Wilson, and Gravely Sanatorium at Chapel Hill under Chapter 143, Article 7; Governor Morehead School under Chapter 115, Article 40; Central North Carolina School for the Deaf under Chapter 115, Article 41; Wright School for Treatment and Education of Emotionally Disturbed Children under Chapter 122, Article 12A; ~~the Lenox Baker Children's Hospital under Chapter 131, Article 14;~~ and these same institutions by any other names by which they may be known in the future."

Sec. 13. G.S. 131E-55, G.S. 131E-56, G.S. 131E-57, and G.S. 131E-58 are repealed.

Sec. 14. G.S. 143-117 reads as rewritten:

"§ *143-117. Institutions included.*--All persons admitted to the following institutions operated by the Department of Human Resources are required to pay the actual cost of their care, treatment, training and maintenance at these institutions: ~~Lenox Baker Children's Hospital,~~ regional psychiatric hospitals, special care centers, regional mental retardation centers, schools for emotionally disturbed children, and alcoholic rehabilitation centers."

Sec. 15. G.S. 143-117.1(3) reads as rewritten:

"(3) 'Persons admitted' means clients of ~~Lenox Baker Children's Hospital,~~ regional psychiatric hospitals, State special care centers, regional mental retardation centers, schools for emotionally disturbed

children, and alcoholic rehabilitation centers, including clients who may be treated on an outpatient basis."

Sec. 16. G.S. 143B-173(a)(5) is repealed.

Sec. 17. G.S. 143B-174 reads as rewritten:

"§ *143B-174. Boards of directors of institutions - members; selection; quorum; compensation.*--~~The Board of Directors of the Lenox Baker Children's Hospital of the Department of Human Resources shall consist of nine members appointed by the Governor for terms of six years.~~ The Board of Directors of the Governor Morehead School of the Department of Human Resources shall consist of 11 members appointed by the Governor for terms of six years. The Board of Directors of the North Carolina Schools for the Deaf of the Department of Human Resources shall consist of 11 members appointed by the Governor for terms of four years. The initial members of each of the aforementioned boards of directors shall be the members of the previously existing board of directors for each institution. The members of the various boards of directors shall serve for a period equal to the remainder of their current terms on their respective boards, which are as follows: ~~the Board of Directors of the Lenox Baker Children's Hospital, three of whose appointments expire July 10, 1973, three of whose appointments expire July 10, 1975, and three of whose appointments expire July 10, 1977;~~ the Board of Directors of the Governor Morehead School, four of whose appointments expire May 1, 1973, three of whose appointments expire May 1, 1975, and four of whose appointments expire May 1, 1977; the Board of Directors of the North Carolina Schools for the Deaf, all of whose appointments expire July 17, 1973. At the end of the respective terms of office of the initial members of each board, their successors shall be appointed for terms as hereinabove delineated and until their successors are appointed and qualify. Any appointment to fill a vacancy on the board of directors created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

The Governor shall have the power to remove any member of a board of directors from office for misfeasance, malfeasance or nonfeasance according to the provisions of G.S. 143B-13 of the Executive Organization Act of 1973.

The members of each board of directors shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

A majority of a board of directors shall constitute a quorum for the transaction of business.

All clerical and other services required by a board of directors shall be supplied by the Secretary of Human Resources."

Sec. 18. The transfer shall become effective on a date agreed to by the Department of Human Resources and Duke University but not later than November 1, 1987.

Sec. 19. The Department of Human Resources, Division of Medical Assistance, upon acceptance of the conditions set out in Sections 21 through 26 of this act by the Board of Trustees of Duke University shall adjust the Medicaid target days for Duke University and the Lenox Baker Medicaid rate in accordance with the North Carolina Division of Medical Assistance Medicaid Reimbursement Plan.

Sec. 20. Sections 1 through 19 are effective only upon agreement by Duke University to the terms of Sections 21 through 26 of this act and certification of that fact by the Secretary of the Department of Human Resources to the Governor, and Sections 12 through 17 are then effective on the date of the transfer. Any disputes arising out of this transfer shall be resolved by the Director of the Budget.

Sec. 21. Duke University shall agree to receive the lands and improvements as described in Section 1.

Sec. 22. Duke University shall offer employment to Lenox Baker employees who are interested in employment by Duke University, who are necessary to Duke's operation of the facility and who are acceptable to Duke. The offer of employment will be in positions similar to those currently filled by the employee and shall include the same benefits and rights as those accorded to other Duke employees.

Sec. 23. Duke University shall maintain the services now provided by Lenox Baker Hospital for a period of five years from the date of transfer. Any patient whose course of treatment at Lenox Baker Hospital has commenced prior to this transfer shall continue to receive treatment from Duke University.

Sec. 24. Duke University shall treat patients at Lenox Baker Hospital who are admitted by authorized physicians without regard for their ability to pay.

Sec. 25. Duke University shall provide the Developmental Evaluation Center and the Speech and Hearing Clinic with space and make it available to the State for this purpose rent-free. This section expires on the earlier of five years from the date of transfer or the date on which State-funding for such programs terminates.

Sec. 26. Duke University shall maintain the name of Lenox Baker Children's Hospital as the name of the facility after transfer.

Sec. 27. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1395 **CHAPTER 857**

AN ACT TO REVISE THE ADMINISTRATION OF THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-38(c) reads as rewritten:

"(c) The Committee shall ~~recommend to the General Assembly programs for hospital, medical care and disability salary continuation benefits as provided in this Article. The Committee may consult with the Board of Trustees of the Retirement System concerning the Disability Salary Continuation Plan, and with the Board of Trustees and the Executive Administrator of the Teachers' and State Employees' Comprehensive Major Medical Plan in connection with the Comprehensive Major Medical Plan, and these two Boards and the Executive Administrator, and their directors, staff, and contractors~~ review programs of hospital, medical and related care provided by Part 3 of this Article as recommended by the Executive Administrator and Board of Trustees of the Plan. The Executive Administrator and the Board of Trustees shall provide the Committee with any information or assistance requested by the Committee in performing its duties under this Article."

Sec. 2. G.S. 135-39(f) reads as rewritten:

"(f) The members of the Board of Trustees shall receive one hundred dollars ($100.00) per day, except employees eligible to enroll in the Plan, whenever the full Board of Trustees holds a public session, and travel allowances under G.S. 138-6 when traveling to and from meetings of the Board of Trustees or hearings under G.S. 135-39.7, but shall not receive any subsistence allowance or per diem under G.S. 138-5, except when holding a meeting or hearing where this section does not provide for payment of one hundred dollars ($100.00) per day."

Sec. 3. G.S. 135-39.2 reads as rewritten:

"§ *135-39.2. Officers, quorum, meetings.*--(a) The Board of Trustees shall elect from its own membership ~~for a one-year term a chairman and vice-chairman, and shall elect a secretary.~~ such officers as it sees fit.

(b) Six members of the Board of Trustees in office shall constitute a quorum. Decisions of the Board of Trustees shall be made by a majority vote of the Trustees present, except as otherwise provided in this Part.

(c) ~~The Board of Trustees shall meet initially upon the call of the Governor.~~ Meetings may be called by the Chairman, or at the written request of three members."

Sec. 4. G.S. 135-39.3A is repealed.

Sec. 5. G.S. 135-39.4A reads as rewritten:

"§ *135-39.4A. Executive Administrator.*--(a) The Plan shall have an Executive Administrator.

(b) The Executive Administrator shall be appointed by the ~~Commissioner of Insurance, upon the advice of the Committee on Employee Hospital and Medical Benefits, for a two-year term beginning July 1, 1985, and biennially thereafter, subject to confirmation by the General Assembly in joint session or by joint resolution or bill. The Commissioner of Insurance shall, except for the initial appointment, submit the name of the nominee to the General Assembly no later than May 1 of each odd-numbered year.~~ Commissioner of Insurance. The term of employment and salary of the Executive Administrator shall be set by the Commissioner of Insurance upon the advice of an executive committee of the Committee on Employee Hospital and Medical Benefits.

~~(c)~~ The Executive Administrator may be removed from office by the Commissioner of Insurance, upon the advice of an executive committee of the Committee on Employee Hospital and Medical Benefits, and any vacancy in the office of Executive Administrator may be filled by the Commissioner of Insurance with the term of employment and salary set upon the advice of an executive committee of the Committee on Employee Hospital and Medical Benefits.

~~(d) Whenever a vacancy in the office of Executive Administrator shall occur (including if the initial appointment is not confirmed by the General Assembly before the 1985 Regular Session adjourns until 1986), other than by expiration of term, the Commissioner of Insurance shall, upon the advice of the Committee on Employee Hospital and Medical Benefits, submit a nominee to the General Assembly, for confirmation in joint session or by joint resolution or bill, to serve the remainder of the unexpired term. If there is such a vacancy in the office of Executive Administrator and the General Assembly is not in session, or has adjourned for more than 10 days, the Commissioner of Insurance may, upon the advice of the Committee on Employee Hospital and Medical Benefits, appoint an Executive Administrator to serve on an interim basis until the twentieth day of legislative session after the appointment is made.~~

~~(e) Whenever there is a vacancy in the office of Executive Administrator, the Commissioner of Insurance shall be ex officio Executive Administrator until the vacancy is filled in accordance with this section.~~

(f) The Executive Administrator may employ such clerical and professional staff, and such other assistance as may be necessary to assist the Executive Administrator and the Board of Trustees in carrying out their duties and responsibilities under this Article. The Executive Administrator may also negotiate, renegotiate and execute contracts with third parties in the performance of his duties and responsibilities under this Article; provided any contract negotiations, renegotiations and execution with a Claims Processor shall be done only after consultation with the Committee on Employee Hospital and Medical Benefits.

(g) The Executive Administrator shall be responsible for:

(1) Cost management programs;
(2) Education and illness prevention programs;
(3) Training programs for Health Benefit Representatives;
(4) Membership functions;
(5) Long-range planning;
(6) Provider and participant relations; and
(7) Communications.

(h) The Executive Administrator shall make reports and recommendations on the Plan to the President of the Senate, the Speaker of the House of Representatives and the Committee on Employee Hospital and Medical Benefits."

Sec. 6. G.S. 135-39.5(12) reads as rewritten:

"(12) Determining basis of payments to health care providers, including payments in accordance with G.S. 58-260.6."

Sec. 7. G.S. 135-39.5 is amended by adding a new section to read:

"(18) Authorizing coverage for alternative forms of care not otherwise provided by the Plan in individual cases when medically necessary, medically equivalent to services covered by the Plan, and when such alternatives would be less costly than would have been otherwise."

Sec. 8. G.S. 135-39.5B reads as rewritten:

"§ *135-39.5B. Prepaid plans.*--The Executive Administrator and Board of Trustees may, after consultation with the Committee on Employee Hospital and Medical Benefits, provide for optional prepaid hospital and medical benefits plans. Benefits offered under such optional plans shall be comparable to those offered under the Plan. The amounts of State funds contributed for such optional plans shall not be more than the amounts contributed for each person eligible under G.S. 135-40.2 on a noncontributory Employee Only basis, with the person selecting an optional plan paying any excess, if necessary. The amount of State funds contributed to such optional plans shall also

not exceed the amount of an optional plan's cost for Employee Only coverage. The provisions of G.S. 57B-11 shall not apply to any optional prepaid hospital and medical benefits plans provided for by the Executive Administrator and Board of Trustees. The Executive Administrator and Board of Trustees are authorized to assess and collect fees from participating optional plans provided by this section for administrative purposes and for risk management purposes. Such fees may be based upon the enrollees' risk factors and the number and types of contracts enrolled by each participating optional plan, and may be collected by the Plan in a manner prescribed by the Executive Administrator and Board of Trustees."

Sec. 9. G.S. 135-40.1(17) reads as rewritten:

"(17) Retired Employee (Retiree). -- ~~Retired teachers and State employees~~ Retired teachers, State employees, and members of the General Assembly who are receiving monthly retirement benefits from any retirement system supported in whole or in part by ~~contribution~~ contributions of the State of North Carolina, so long as the retiree is enrolled. On and after January 1, 1988, a retired employee or retiree must have completed at least five years of contributory retirement service with an employing unit prior to retirement from any State-supported retirement system in order to be eligible for group benefits under this Part as a retired employee or retiree."

Sec. 10. Effective January 1, 1988, G.S. 135-40.1(19) reads as rewritten:

"(19) Usual, Customary and Reasonable.--The meaning of the term 'UCR' shall be developed from criteria used for determining reasonable charges for services, including usual preoperative examination and customary postoperative care and care of usual complications, and shall be based on the usual charge made by an individual doctor for his or her private patients for a particular service, or the customary charge within the range of usual fees charged by most doctors of similar skill and training in North Carolina for the comparable service, whichever is the lower. A fee is reasonable if it meets the above two criteria. In cases of unusual complexity and cases involving supplemental skills of two or more doctors, reasonable charges will be determined by the Claims Processor upon advice of its medical advisors. The Executive Administrator and Board of Trustees may update usual, customary and reasonable charges, or other such comparable allowances, semi-annually for physicians who accept the Plan's UCR or other comparable allowances as payment in full, other than for the Plan's deductibles, coinsurance, or other amounts to be paid by members of the Plan; otherwise, the Executive Administrator and Board of

Trustees shall not update usual, customary and reasonable charges, or other such comparable allowances more frequently than on an annual basis."

Sec. 11. (a) G.S. 135-40.2(a) is amended by adding a new subdivision to read:

"(2a) Surviving spouses of:

a. Deceased retired employees, provided the death of the former plan member occurred prior to October 1, 1986; and

b. Deceased teachers, State employees, and members of the General Assembly who are receiving a survivor's alternate benefit under any of the State-supported retirement programs, provided the death of the former plan member occurred prior to October 1, 1986."

Sec. 11.1 G.S. 135-40.2(b)(9) is repealed.

Sec. 11.2 G.S. 135-40.2(b)(10) reads as rewritten:

"(10) Any eligible dependent child of the deceased retiree, teacher, State employee, or member of the General Assembly, provided the child was covered at the time of death of the retiree, teacher, State employee, or member of the General Assembly (or was in ~~esse~~ posse at the time and is covered at birth under this Part), or was covered under the Plan on September 30, 1986. Any eligible spouse or dependent child of a person eligible under ~~subdivisions (8) or (9)~~ subdivision (8) of this subsection if the spouse or dependent child was enrolled before October 1, 1986."

Sec. 12. G.S. 135-40.2 is amended by adding a new subsection (g) to read:

"(g) An eligible surviving spouse and any eligible dependent child of a deceased retiree, teacher, State employee, or member of the General Assembly shall be eligible for group benefits under this section without waiting periods for preexisting conditions provided coverage is elected within 90 days after the death of the former plan member."

Sec. 13. G.S. 135-40.3(d) reads as rewritten:

"(d) Types of Coverage Available.--There are ~~five~~ three types of coverage which an employee or retiree may elect.

(1) Employee Only.--Covers enrolled employees only. Maternity benefits are provided to employee only.

(2) Employee and Child(ren).--Covers enrolled employee and all eligible dependent children. Maternity benefits are provided to the employee only.

(3) Employee and Family.--Covers employee and spouse, and all eligible dependent children. Maternity benefits are provided to employee or enrolled spouse."

Sec. 14. G.S. 135-40.5 reads as rewritten:

"§ *135-40.5. Benefits not subject to deductible or coinsurance.*--(b) Ambulatory (Outpatient) Surgery.--The Plan will pay one hundred percent (100%) of reasonable and customary charges for facility and ~~surgeon's~~ surgeon charges for surgery performed in an ambulatory surgical facility as defined by G.S. 131E-176(1) and (1a), or charges negotiated by the Plan, if that surgery is not normally performed on an outpatient basis. ~~Medical supplies, drugs, laboratory and other ancillary services and physicians' services will be covered under the comprehensive section of the Plan.~~

(c) Preadmission Testing.--The Plan will pay one hundred percent (100%) ~~if~~ of reasonable and customary charges for diagnostic, laboratory and x-ray examinations performed on an outpatient basis.

(d) Second Surgical Opinions.--The Plan will pay one hundred percent (100%) of usual, reasonable and customary charges for one presurgical consultation by a second surgeon or other qualified physician as determined by the Claims Processor and Executive Administrator regarding the performance of nonemergency surgery. The Plan will also pay one hundred percent (100%) of the reasonable and customary charges for diagnostic, laboratory and x-ray examinations required by the second surgeon. Second surgical opinions for tonsillectomy and adenoidectomy procedures may be provided by Board-qualified pediatricians and family practitioners when qualified surgeons are not available to provide second surgical opinions. Should the first two opinions differ as to the necessity of surgery, the Plan will pay one hundred percent (100%) of reasonable and customary charges for the consultation of the third surgeon.

As used in this section and the provisions of G.S. 135-40.8(b), second surgical opinions shall be required for the following procedures otherwise covered by the Plan: ~~transurethral resection of the prostate, hemorrhoidectomy,~~ hysterectomy, ~~tonsillectomy and adenoidectomy, cholecystectomy,~~ revision of the nasal structure, coronary artery bypass surgery ~~thyroid surgery,~~ and surgery on the knee (except in procedures involving orthoscopic surgery when the diagnosis and the surgery can be performed in the same procedure and through the same incision). Second surgical opinions for coronary by-pass surgery may be provided by doctors who are Board-qualified in internal medicine when qualified surgeons are not available to provide a second surgical opinion. The Claims Processor may waive the requirement for obtaining a second surgical opinion required by this subsection or required by G.S. 135-40.8(b) if the location and availability of surgeons qualified to provide second opinions creates an unjust hardship or if the medical condition of the patient would be

adversely affected."

Sec. 15. G.S. 135-40.6(1) reads as rewritten:

"(1) In-Hospital Benefits.--The Plan pays in-hospital benefits for each single confinement, when charged by a hospital, for room accommodation, including bed, board and general nursing care, but not to exceed the charge for semiprivate room or ward accommodations, or the rate negotiated for the Plan.

The Plan will pay the following covered charges, when charged by a hospital, for each confinement.

a. Intensive and cardiac nursing care.
b. All recognized drugs and medicines for use in the hospital.
c. Radiation services, including diagnostic x-rays, x-ray therapy, radiation therapy and treatment.
d. Clinical and pathological laboratory examinations.
e. Electrocardiograms and electroencephalograms.
f. Physical therapy.
g. Intravenous solutions.
h. Oxygen and oxygen therapy, plus the use of equipment.
i. Dressings, ordinary splints, plaster casts and sterile supplies.
j. Use of operating, delivery, recovery and treatment rooms and equipment.
k. Routine nursery charges, if the mother is eligible to receive maternity benefits.
l. Anesthetics and the administration thereof by the hospital's employee anesthesiologist.
m. Devices or appliances surgically inserted within the body.
n. Processing and administering of blood and blood plasma.
o. Children who are born under the coverage type (2), (3), or (5), as outlined in G.S. 135-40.3(d), and who remain continuously covered are entitled to benefits for treatment of illnesses or congenital defect, incubation or isolette care, and treatment of prematurity or postmaturity.
   If the mother is a covered individual, benefits are provided for the newborn's circumcision and routine nursery care.
p. When a covered individual is admitted to or transferred to a section of a hospital providing ambulant, convalescent, or rehabilitative care, benefits are provided up to the average number of days of service for treatment of the particular diagnosis or condition involved, or more if medical necessity requires.
q. The Plan pays benefits for laboratory testing and administration of blood provided to a covered individual.
   When a covered individual is the recipient of transplanted

organs or bones, benefits are provided for services to the donor which are directly and specifically related to the transplantation.

r. Thirty days per fiscal year are provided for inpatient treatment of mental illness. Readmission for this condition within 365 days of last discharge shall be considered a single confinement. When furnished to a patient in a skilled nursing facility, 30 days less the days of care already provided for the same illness in a hospital are provided. Additional inpatient treatment, based on individual consideration, may be provided if prior approval is obtained from the Claims Processor.

s. The use of nebulizers when authorized as medically necessary by the attending physician."

Sec. 16. G.S. 135-40.6(3) reads as rewritten:

"(3) Skilled Nursing Facility Benefits. -- The Plan will pay benefits in a skilled nursing facility which qualifies for delivery of benefits under Title XVII of the Social Security Act (Medicare), as follows:

After discharge from a hospital for which inpatient hospital benefits were provided by this Plan for a period of not less than three days, and treatment consistent with the same illness or condition for which the covered individual was hospitalized, the daily charges will be paid for room and board in a semiprivate room or any multibed unit up to the maximum benefit specified in subsection (1) of this section, less the days of care already provided for the same illness in a hospital. Plan allowances for total daily charges may be negotiated but will not exceed the daily semiprivate hospital room rate as determined by the Plan.

Credit will be allowed toward private room charges in an amount equal to the facility's most prevalent charge for semiprivate accommodations. Charges will also be paid for general nursing care and other services which would ordinarily be covered in a general hospital. In order to be eligible for these benefits, admission must occur within 14 days of discharge from the hospital.

In order to qualify for benefits provided by a skilled nursing facility, the following stipulations apply:

a. The services are medically required to be given on an inpatient basis because of the covered individual's need for skilled nursing care on a continuing basis for any of the conditions for which he or she was receiving inpatient hospital services prior to transfer from a hospital to the skilled nursing facility or for a condition requiring such services which arose after such transfer and while he or she was still in the facility for treatment of the condition or conditions for which he or she was receiving inpatient

hospital services, ~~and~~

b. Only on prior referral by and so long as, the patient remains under the active care of an attending doctor who certifies that continual hospital confinement would be required without the care and treatment of the skilled nursing facility, and

c. Approved in advance by the Claims Processor."

Sec. 17. G.S. 135-40.6(4) reads as rewritten:

"(4) Outpatient ~~Hospital~~ Benefits. -- The Plan pays for services rendered in the outpatient department of a hospital, in a doctor's office, in an ambulatory surgical facility, or elsewhere as determined by the Executive Administrator, as follows:

a. Accidental injury: All covered services. Dental services are excluded except for oral surgery specifically listed in subsection (5)c. of this section.

b. ~~All hospital services for operative~~ Operative procedures.

c. All hospital services for radiation therapy, treatment by use of x-rays, radium, cobalt and other radioactive substances.

d. ~~All hospital services in connection with pathological~~ Pathological examinations of tissue removed by resection or biopsy. Routine Pap smears are not covered.

e. Charges for diagnostic x-rays, clinical laboratory tests, and other diagnostic tests and procedures such as electrocardiograms and electroencephalograms.

No benefits are provided for screening examinations and routine physical examinations to assess general health status in the absence of specific symptoms of active illness, routine office visits or for doctor's services for diagnostic procedures covered under surgical benefits."

Sec. 18. G.S. 135-40.6(8) reads as rewritten:

"(8) Other Covered Charges. --

a. Prescription Drugs: Prescription legend drugs in excess of the first two dollars ($2.00) per prescription for generic drugs and brand name drugs without a generic equivalent and in excess of the first three dollars ($3.00) per prescription for brand name drugs for use outside of a hospital or skilled nursing facility. A prescription legend drug is defined as an article the label of which, under the Federal Food, Drug, and Cosmetic Act, is required to bear the legend: 'Caution: Federal Law Prohibits Dispensing Without Prescription.' Such articles may not be sold to or purchased by the public without a prescription order. Benefits are provided for insulin even though prescription is not required.

b. Private Duty Nursing: Services of licensed nurses (not

immediate relatives or members of the participant's household or private duty nursing used in lieu of or as a substitute for hospital staff nurses) ordered by the attending doctor for a condition requiring skilled nursing services. Private Duty Nursing ordered must be approved in advance by the Claims Processor as medically necessary. Allowances for Private Duty Nursing shall not exceed the Plan's usual, customary and reasonable allowances or ninety percent (90%) of the daily semiprivate rate at skilled nursing facilities as determined by the Plan.

c. Home Health Agency Services: Services provided in a covered individual's home, when ordered by the attending physician who certifies that hospital or skilled nursing facility confinement would be required without such treatment and cannot be readily provided by family members. Services may include medical supplies, equipment, appliances, therapy services (when provided by a qualified speech therapist or licensed physiotherapist), and nursing services. Nursing services will be allowed for:

1. Services of a registered nurse (RN); or
2. Services of a licensed practical nurse (LPN) under the supervision of a RN; or
3. Services of a home health aide under the supervision of a RN, limited to four hours a day.

Home health services shall be limited to 60 days per fiscal year, except that additional home health services may be provided on an individual basis if prior approval is obtained from the Claims Processor. Plan allowances for home health services shall be limited to licensed or Medicare certified home health agencies and shall not exceed ninety percent (90%) of the skilled nursing facility semiprivate rates as determined by the Plan, or charges negotiated by the Plan.

d. Licensed Ambulance Service: Local ambulance transportation:

To or from a hospital for inpatient care or outpatient accident care;

From a hospital to the nearest facility able to provide needed services not available at the transferring hospital; or

From a hospital to a skilled nursing facility.

The word 'local' means ambulance transportation of not more than 50 miles unless the ~~Administrator~~ Claims Processor authorizes ambulance transportation beyond this distance.

e. Prosthetic and Orthopedic Appliances and Durable Medical

Equipment: Appliances and equipment including corrective and supportive devices such as artificial limbs and eyes, wheelchairs, traction equipment, inhalation therapy and suction machines, hospital beds, braces, orthopedic corsets and trusses, and other prosthetic appliances or ambulatory apparatus which are provided solely for the use of the participant. Eligible charges include repair and replacement when medically necessary. Benefits will be provided on a rental or purchase basis at the sole discretion of the Administrator and agreements to rent or purchase shall be between the Administrator and the supplier of the appliance.

For the purposes of this subdivision, the term 'durable medical equipment' means standard equipment normally used in an institutional setting which can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of an illness or injury and is appropriate for use in the home. Decisions of the Claims Processor, the Executive Administrator and Board of Trustees as to compliance with this definition and coverage under the Plan shall be final.

f. Dental Services: Dental surgery and appliances for mouth, jaw, and tooth restoration necessitated because of external violent and accidental means, such as the impact of moving body, vehicle collision, or fall occurring while an individual is covered under G.S. 135-40.3. No benefits are provided in connection with injury incurred in the act of chewing, nor for damage or breakage of an appliance such as bridge or denture being cleaned or otherwise not in normal mouth usage at the time of accident, nor for appliances for orthodontic treatment when a class of malocclusion, other than orthognathic, or cross bite has been diagnosed. Benefits for temporomandibular joint (TMJ) disfunction appliance therapy are limited to cases where the TMJ disfunction has been diagnosed as solely resulting from accidental means as certified by the attending practitioner and approved by the Claims Processor.

Benefits shall include extractions, fillings, crowns, bridges, or other necessary therapeutic and restorative techniques and appliances to reasonably restore condition and function to that existing immediately prior to the accident. Injury or

breakage of existing appliances such as bridges and dentures is limited to repair of such appliances unless certified as damaged beyond repair.

g. Medical Supplies: Colostomy bags, catheters, dressings, oxygen, syringes and needles, and other similar supplies.

h. Blood: Transfusions including cost of blood, plasma, or blood plasma expanders.

i. Physical Therapy: Recognized forms of physical therapy for restoration of bodily function, provided by a doctor, hospital, or by a licensed professional physiotherapist. No benefits are provided for eye exercises or visual training.

j. Inhalation Therapy: When provided by a doctor, hospital, or other organization.

k. Speech Therapy: Speech therapy provided by certified speech therapist. Benefits are provided only in connection with a condition, illness, or injury arising while continuously covered under this Plan.

l. Cataract Lenses: Cataract lenses prescribed as medically necessary for aphakia persons, including charges for necessary examinations and fittings. Benefits will be limited to one set of cataract lenses every 24 months for persons 18 years of age or older, and one set of cataract lenses every 12 months for persons less than 18 years of age.

m. Cardiac Rehabilitation: Charges not to exceed six hundred fifty dollars ($650.00) per fiscal year for cardiac testing and exercise therapy, when determined medically necessary by an attending physician and approved by the Claims Processor for patients with a medical history of myocardial infarction, angina pectoris, arrhythmias, cardiovascular surgery, hyperlipidemia, or hypertension, provided such charges are incurred in a medically supervised facility fully certified by the North Carolina Department of Human Resources.

n. Chiropractic Services: Limited to the alignment of the spine and releasing of pressure by manipulation in accordance with the definitions in ~~G.S. 90-143.1~~ G.S. 90-143. Maximum benefits for x-rays, manipulations, and modalities shall be one thousand dollars ($1,000) per fiscal year.

o. Foot Surgery: All foot surgery on bones and joints in excess of one thousand dollars ($1,000), except for emergencies, shall require prior approval from the Claims Processor.

p. Outpatient Diabetes Self-Care Programs: Charges, not to exceed three hundred dollars ($300.00) per fiscal year, when determined to be medically necessary by an attending physician and approved by the Executive Administrator and Claims Processor as meeting the standards of the National Diabetes Advisory Board for patients with a medical history of diabetes, provided such charges are incurred in a medically supervised facility.

q. Necessary medical services provided to terminally ill patients by duly licensed hospice organizations, when directed by the attending physician and approved in advance by the Claims Processor and the Executive Administrator."

Sec. 19. G.S. 135-40.6A(b) reads as rewritten:

"(b) The Executive Administrator and Board of Trustees may establish procedures to require prior medical approvals for the following services:

(1) Skilled Nursing Facility Care (after the initial 30 days);
(2) Private Duty Nursing;
(3) Speech Therapy (unless rendered in an inpatient hospital);
(4) Physical Therapy (in the home);
(5) Argon Laser Trabeculoplasty;
(6) Radioallergosorbent Test (RAST);
(7) Surgical Procedures:
    a. Elepharoplasties
    b. Surgery for Hermaphroditism
    c. Excision of Keloids
    d. Reduction Mammoplasty
    e. Morbid Obesity Surgery
    f. Penile Prosthesis
    g. Excision of Gynecomastia
    h. Cochlear Implants
    i. Revision of the Nasal Structure
    j. Abdominoplasty
    k. Fimbrioplasty
    l. Tubotubal Anastomasis."

Sec. 20. G.S. 135-40.8(b) reads as rewritten:

"(b) Where a covered individual fails to obtain a second surgical opinion as required under the Plan, the covered individual shall be responsible for fifty percent (50%) of the eligible expenses, provided, however, that no covered individual shall be required to pay out-of-pocket in excess of five hundred dollars ($500.00) per fiscal year."

Sec. 21. G.S. 135-40.10 reads as rewritten:

"§ *135-40.10. Persons eligible for Medicare.*--(a) Benefits payable for covered expenses under this Plan in G.S. 135-40.5 through G.S. 135-40.9 will be reduced by any benefits payable for the same covered expenses under Medicare, so that Medicare will be the primary carrier except where compliance with federal law specifies otherwise.

(b) For those participants eligible for Medicare, the State's new Plan will be administered on a 'carve out' basis. The provisions of the new Plan are applied to the charges not paid by Medicare (Parts A & B). In other words, those charges not paid by Medicare would be subject to the deductible and coinsurance of the new Plan just as if the charges not paid by Medicare were the total bill.

~~All charges for outpatient surgery, preadmission testing and accidents are covered at one hundred percent (100%) subject to the Plan's provisions. Of course all payments are subject to usual, customary, and reasonable charges.~~

(c) For those individuals eligible for Part A (at no cost to them), benefits under this program will be reduced by the amounts to which the covered individuals would be entitled to under Parts A and B of Medicare, even if they choose not to enroll for Part B.

(d) Notwithstanding the foregoing provisions of this section or any other provisions of the Plan, the Executive Administrator and Board of Trustees may enter into negotiations with the Health Care Financing Administration, U.S. Department of Health and Human Services, in order to secure a more favorable coordination of the Plan's benefits with those provided by Medicare, including but not limited to, measures by which the Plan would provide Medicare benefits for all of its Medicare-eligible members in return for adequate payments from the federal government in providing such benefits. Should such negotiations result in an agreement favorable to the Plan and its Medicare-eligible members, the Executive Administrator and Board of Trustees may, after consultation with the Committee on Employee Hospital and Medical Benefits, implement such an agreement which shall supersede all other provisions of the Plan to the contrary related to its payment of claims for Medicare-eligible members."

Sec. 22. The Executive Administrator and Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan are directed to conduct a comprehensive feasibility and cost study on including a program of dental benefits under the Plan for eligible employees, retired employees, and dependents of employees and retired employees. The study shall include, but not be limited to, an analysis of how such benefits might be provided through a conventional form of insurance contract, on a self-insured basis, through prepaid alternatives, through an employee reimbursement

program, or a combination of approaches, and evaluation as to whether such benefits should be on a mandatory or optional basis among eligible participants, a comparison of various dental benefit deductibles, copayments, annual and lifetime maximum benefits, and the types of benefits covered, a detailed cost-benefit analysis of orthodontic and prosthodontic benefits, a review of the basis for reimbursing dental expenses through usual, customary and reasonable allowances or through fixed indemnity allowances, an analysis of how such a program of dental benefits might affect the hospital and medical benefits provided by the Plan, and a review of the possibilities for financing a program of dental benefits through fully contributory or partially contributory premiums on a pre-tax basis in light of the Plan's premium requirements for hospital and medical benefits. The Executive Administrator and Board of Trustees shall complete this study and make a report on the study's findings and recommendations to the Committee on Employee Hospital and Medical Benefits and the General Assembly's Fiscal Research Division no later than May 15, 1988.

Sec. 23. (a) The annual employer contributions, payable monthly, to the Teachers' and State Employees' Comprehensive Major Medical Plan for each fiscal year of the 1987-89 biennium, as contained in Chapter 738, Session Laws of 1987, are intended by the General Assembly to be maximum amounts payable by employers to the Plan. Should the Plan's financial experience through fiscal year 1987-88 require additional support for fiscal year 1988-89, notice is hereby given by the 1987 Session of the General Assembly that:

(1) the Plan's benefits will be reduced for 1988-89;

(2) the Plan's noncontributory premiums for eligible employees and retired employees will be replaced with partially contributory premiums for 1988-89;

(3) eligible employees and retired employees will be provided an amount up to the authorized maximum employer contributions for 1988-89 in order to secure their own individual plans of hospital and medical benefits by making irrevocable elections not to participate in the Plan; or

(4) any combination of the foregoing alternatives to insure the intention of the General Assembly in maximizing the amount of employer contributions to the Plan for the 1987-89 biennium.

(b) The Executive Administrator shall inform, in writing, all employees and retired employees enrolled in the Plan of the General Assembly's intentions in the foregoing subsection (a), along with a statement of the amount of additional employer contributions to the Plan provided by the 1987 Session of the General Assembly for fiscal

year 1987-88 and fiscal year 1988-89 as a part of the total compensation package for employees and retired employees.

Sec. 24. G.S. 135-40.7A(b) is rewritten to read:

"(b) Notwithstanding any other provisions of this Part, the maximum benefit for each covered individual for treatment of chemical dependency is as follows:

30 Consecutive Days	$ 3,900
Fiscal Year	6,500
Lifetime	20,000

Daily benefits are limited to one hundred thirty dollars ($130.00) except for medical detoxification treatment under rules established by the Executive Administrator and Board of Trustees."

Sec. 25. The Executive Administrator and Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan are directed to conduct a comprehensive feasibility and cost study on the use of a mail order drug program by the Plan for dispensing outpatient prescription maintenance drugs for the treatment of chronic or long-term illnesses or medical conditions. The study shall include, but not be limited to:

(1) a comparison of unit drug costs between a mail order drug program and community pharmacies;

(2) a comparison between the amount of generic drugs dispensed by a mail order drug program and community pharmacies;

(3) a comparison of drug volumes dispensed between a mail order drug program and community pharmacies;

(4) a comparison between the expected patient utilization of drugs from a mail order drug program and community pharmacies;

(5) a review of possible exposure to spillage or wastage from a mail order drug program resulting from either noncompliance with physician treatments or a modification of a physician's treatment plan;

(6) a review of automatic refill practices of a mail order drug program;

(7) a review of the time lapse between a drug order and receipt under a mail order drug program; and

(8) a comparison of the advantages and disadvantages of a mail order drug program self-administered by the Plan or State as opposed to the use of a third-party administrator.

The Executive Administrator and Board of Trustees shall complete this

study and make a report on the study's findings and recommendations to the Committee on Employee Hospital and Medical Benefits and the General Assembly's Fiscal Research Division no later than May 15, 1988.

Sec. 25.1. (a) The Executive Administrator and Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan are directed to conduct a detailed study on the further inclusion of organ transplants for coverage by the Plan and report their findings and recommendations to the Legislative Committee on Employee Hospital and Medical Benefits upon the convening of the 1989 Session of the General Assembly.

(b) North Carolina Memorial Hospital and the University of North Carolina at Chapel Hill's School of Medicine may use any medical research and treatment funds available to them to cover the cost of heart transplants for employees, retired employees, and their dependents covered by the Teachers' and State Employees' Comprehensive Major Medical Plan on and after January 1, 1987. The Hospital and School of Medicine shall provide to the Plan any diagnostic and treatment information on such transplants as is deemed appropriate by the Plan, the Hospital, and the School of Medicine.

(c) This section is effective upon ratification.

Sec. 26. Except as otherwise provided in this act, this act shall become effective July 1, 1987, and shall apply to claims incurred on or after September 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 726 **CHAPTER 858**

AN ACT TO PROVIDE FOR THE SBI TO INVESTIGATE CRIMES CONCERNING CIVIL DISORDER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 114-15 is amended by inserting a new paragraph between the first and second paragraphs of that section to read:

"The State Bureau of Investigation is further authorized, upon request of the Governor or the Attorney General, to investigate the commission or attempted commission of the crimes defined in the following statutes:

(1) All sections of Article 4A of Chapter 14 of the General Statutes;
(2) G.S. 14-277.1;
(3) G.S. 14-277.2;

(4) G.S. 14-283;
(5) G.S. 14-284;
(6) G.S. 14-284.1;
(7) G.S. 14-288.2;
(8) G.S. 14-288.7;
(9) G.S. 14-288.8; and
(10) G.S. 14-288.20."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 240 **CHAPTER 859**

AN ACT TO ADDRESS THE MEDICAL MALPRACTICE INSURANCE PROBLEM BY CHANGES IN COURT PROCEDURE, MEDICAL BOARD POWERS, AND PEER REVIEW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-21.11 is amended:

(1) by rewriting the catch line to read:

"§ *90-21.11. Definitions.*"; and

(2) by adding a new paragraph to read:

"As used in this Article, the term 'medical malpractice action' means a civil action for damages for personal injury or death arising out of the furnishing or failure to furnish professional services in the performance of medical, dental, or other health care by a health care provider."

Sec. 2. G.S. 1A-1, Rule 3, is amended by designating the text of the rule as subsection (a) and by adding a new subsection to read:

"(b) The clerk shall maintain as prescribed by the Administrative Office of the Courts a separate index of all medical malpractice actions, as defined in G.S. 90-21.11. Upon the commencement of a medical malpractice action, the clerk shall provide a current copy of the index to the senior regular resident judge of the district in which the action is pending."

Sec. 3. G.S. 1A-1, Rule 26, is amended by adding after subsection (f) a new subsection (f1) to read:

"(f1) Medical malpractice discovery conference. In a medical malpractice action as defined in G.S. 90-21.11, upon the case coming at issue or the filing of a responsive pleading or motion requiring a determination by the court, the judge shall, within 30 days, direct the attorneys for the parties to appear for a discovery conference. At the

conference the court may consider the matters set out in Rule 16, and shall:

(1) Rule on all motions;

(2) Establish an appropriate schedule for designating expert witnesses, consistent with a discovery schedule pursuant to subdivision (3), to be complied with by all parties to the action such that there is a deadline for designating all expert witnesses within an appropriate time for all parties to implement discovery mechanisms with regard to the designated expert witnesses;

(3) Establish by order an appropriate discovery schedule designated so that, unless good cause is shown at the conference for a longer time, and subject to further orders of the court, discovery shall be completed within 150 days after the order is issued; nothing herein shall be construed to prevent any party from utilizing any procedures afforded under Rules 26 through 36, so long as trial or any hearing before the court is not thereby delayed; and

(4) Approve any consent order which may be presented by counsel for the parties relating to parts (2) and (3) of this subsection, unless the court finds that the terms of the consent order are unreasonable.

If a party fails to identify an expert witness as ordered, the court shall, upon motion by the moving party, impose an appropriate sanction, which may include dismissal of the action, entry of default against the defendant, or exclusion of the testimony of the expert witness at trial."

Sec. 4. G.S. 1A-1, Rule 16, is amended by designating the text of the rule as subsection (a) and adding a new subsection to read:

"(b) In a medical malpractice action as defined in G.S. 90-21.11, at the close of the discovery period scheduled pursuant to Rule 26(f1), the judge shall schedule a final conference. After the conference, the judge shall refer any consent order calendaring the case for trial to the senior resident superior court judge or the chief district court judge, who shall approve the consent order unless he finds that:

(1) the date specified in the order is unavailable,

(2) the terms of the order unreasonably delay the trial, or

(3) the ends of justice would not be served by approving the order.

If the senior resident superior court judge or the chief district court judge does not approve the consent order, he shall calendar the case for trial.

In calendaring the case, the court shall take into consideration the nature and complexity of the case, the proximity and convenience of witnesses, the needs of counsel for both parties concerning their respective calendars, the benefits of an early disposition and such other matters as the court may deem proper."

Sec. 5. G.S. 90-8 is rewritten to read:

"§ *90-8. Officers may administer oaths, and subpoena witnesses, records and other materials.*--The president and secretary of the Board may administer oaths to all persons appearing before it as the Board may deem necessary to perform its duties, and to summon and to issue subpoenas for the appearance of any witnesses deemed necessary to testify concerning any matter to be heard before or inquired into by the Board, and to order that any documents or other material concerning any matter to be heard before or inquired into by the Board shall be produced before the Board or made available for inspection. Upon written request, the Board shall revoke a subpoena if, upon a hearing, it finds that the evidence the production of which is required does not relate to a matter in issue, or if the subpoena does not describe with sufficient particularity the evidence the production of which is required, or if for any other reason in law the subpoena is invalid."

Sec. 6. G.S. 90-14 is amended as follows:

(a) by rewriting G.S. 90-14(a)(7) to read:

"(7) Conviction in any court of a crime involving moral turpitude, or the violation of a law involving the practice of medicine, or a conviction of a felony; provided that a felony conviction shall be treated as provided in subsection (c) of this section;" and

(b) by adding a new subsection to read:

"(c) A felony conviction shall result in the automatic revocation of a license issued by the Board, unless the Board orders otherwise or receives a request for a hearing from the person within 60 days of receiving notice from the Board, after the conviction, of the provisions of this subsection. If the Board receives a timely request for a hearing in such a case, the provisions of G.S. 90-14.2 shall be followed."

Sec. 7. G.S. 90-14 is amended by rewriting subsection (a)(12) to read:

"(12) Promotion of the sale of drugs, devices, appliances or goods for a patient, or providing services to a patient, in such a manner as to exploit the patient for financial gain of the physician; and upon a finding of the exploitation for financial gain, the Board may order restitution be made to the payer of the bill, whether the patient or the insurer, by the physician; provided that a determination of the amount of restitution shall be based on credible testimony in the record;".

Sec. 8. G.S. 90-14(a) is amended by adding a new subdivision to read:

"(14) The failure to respond, within a reasonable period of time and in a reasonable manner as determined by the Board, to inquiries from the Board concerning any matter affecting the license to practice medicine."

Sec. 9. G.S. 90-14 is amended by adding a new subsection to read:

"(d) The Board and its members and staff may release confidential or nonpublic information to any health care licensure board in this State or another state about the issuance, denial, annulment, suspension, or revocation of a license, or the voluntary surrender of a license by a Board-licensed physician, including the reasons for the action, or an investigative report made by the Board. The Board shall notify the physician within 60 days after the information is transmitted. A summary of the information that is being transmitted shall be furnished to the physician. If the physician requests, in writing, within 30 days after being notified that such information has been transmitted, he shall be furnished a copy of all information so transmitted. The notice or copies of the information shall not be provided if the information relates to an ongoing criminal investigation by any law enforcement agency, or authorized Department of Human Resources personnel with enforcement or investigative responsibilities."

Sec. 10. G.S. 90-14 is amended by adding a new subsection to read:

"(e) The Board and its members and staff shall not be held liable in any civil or criminal proceeding for exercising, in good faith, the powers and duties authorized by law."

Sec. 11. G.S. 90-14.13 is amended by inserting between the first and second paragraphs a new paragraph, to read:

"The chief administrative officer of each insurance company providing professional liability insurance for physicians who practice medicine in North Carolina, the administrative officer of the Liability Insurance Trust Fund Council created by G.S. 116-220, and the administrative officer of any trust fund operated by a hospital authority, group, or provider shall report to the Board within 30 days:

(1) any award of damages or settlement affecting or involving a physician it insures, or

(2) any cancellation or nonrenewal of its professional liability coverage of a physician, if the cancellation or nonrenewal was for cause.

The Board may request details about any action and the officers shall promptly furnish the requested information. The reports required by this section are privileged and shall not be open to the public. The Board shall report all violations of this paragraph to the Commissioner of Insurance."

Sec. 12. The last sentence of G.S. 90-15.1 is rewritten to read:

"Upon payment of all fees and penalties which are due, the license of the physician may be reinstated, subject to the Board requiring the physician to appear before the Board for an interview and to comply with other licensing requirements."

Sec. 13. The first sentence of G.S. 90-15 is rewritten to read:

"Each applicant for a license by examination shall pay to the treasurer of the Board of Medical Examiners of the State of North Carolina a fee which shall be prescribed by said Board in an amount not exceeding the sum of four hundred dollars ($400.00) plus the cost of test materials before being admitted to the examination."

Sec. 14. The sixth sentence of G.S. 90-15 is amended by deleting "ten dollars ($10.00)" and substituting "one hundred dollars ($100.00)".

Sec. 15. Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 1D.

"Peer Review.

"§ *90-21.22. Peer review agreements.*--(a) The Board of Medical Examiners may, under rules adopted by the Board in compliance with Chapter 150B of the General Statutes, enter into agreements with the North Carolina Medical Society and its local medical society components for the purpose of conducting peer review activities. Peer review activities to be covered by such agreements shall include investigation, review, and evaluation of records, reports, complaints, litigation and other information about the practices and practice patterns of physicians licensed by the Board, and shall include programs for impaired physicians.

(b) Peer review agreements shall include provisions for the society to receive relevant information from the Board and other sources, conduct the investigation and review in an expeditious manner, provide assurance of confidentiality of nonpublic information and of the review process, make reports of investigations and evaluations to the Board, and to do other related activities for promoting a coordinated and effective peer review process. Peer review agreements shall include

provisions assuring due process.

(c) Each society which enters a peer review agreement with the Board shall establish and maintain a program for impaired physicians licensed by the Board for the purpose of identifying, reviewing, and evaluating the ability of those physicians to function as physicians and to provide programs for treatment and rehabilitation. The Board may provide funds for the administration of impaired physician programs and shall adopt rules with provisions for definitions of impairment; guidelines for program elements; procedures for receipt and use of information of suspected impairment; procedures for intervention and referral; monitoring treatment, rehabilitation, post-treatment support and performance; reports of individual cases to the Board; periodic reporting of statistical information; assurance of confidentiality of nonpublic information and of the review process.

(d) Upon investigation and review of a physician licensed by the Board, or upon receipt of a complaint or other information, a society which enters a peer review agreement with the Board shall report immediately to the Board detailed information about any physician licensed by the Board if:

(1) the physician constitutes an imminent danger to the public or to himself;

(2) the physician refuses to cooperate with the program, refuses to submit to treatment, or is still impaired after treatment and exhibits professional incompetence; or

(3) it reasonably appears that there are other grounds for disciplinary action.

(e) Any confidential patient information and other nonpublic information acquired, created, or used in good faith by a society pursuant to this section shall remain confidential and shall not be subject to discovery or subpoena in a civil case. No person participating in good faith in the peer review or impaired physician programs of this section shall be required in a civil case to disclose any information acquired or opinions, recommendations, or evaluations acquired or developed solely in the course of participating in any agreements pursuant to this section.

(f) Peer review activities conducted in good faith pursuant to any agreement under this section shall not be grounds for civil action under the laws of this State and are deemed to be State directed and sanctioned and shall constitute State action for the purposes of application of antitrust laws."

Sec. 16. G.S. 131E-87 reads as rewritten:

"§ *131E-87. Reports of disciplinary action; immunity from liability.*--~~The chief administrative officer of every licensed hospital in the State shall report to the appropriate occupational licensing board any revocation, suspension, or limitation of privileges to practice in that hospital.~~ The chief administrative officer of each licensed hospital in the State shall report to the appropriate occupational licensing board the details, as prescribed by the board, of any revocation, suspension, or limitation of privileges of a health care provider to practice in that hospital. Each hospital shall also report to the board its medical staff resignations. Any person making a report required by this section shall be immune from any resulting criminal prosecution or civil liability unless the person knew the report was false or acted in reckless disregard of whether the report was false."

Sec. 17. Article 5 of Chapter 131E of the General Statutes is amended by adding a new Part E to read:

"Part E. Risk Management.

"§ *131E-96. Risk management programs.*--(a) Each hospital shall develop and maintain a risk management program which is designed to identify, analyze, evaluate, and manage risks of injury to patients, visitors, employees, and property through loss reduction and prevention techniques and quality assurance activities, as prescribed in rules promulgated by the Commission.

(b) The Department shall not issue or renew a license under this Article unless the applicant is in compliance with this section."

Sec. 18. G.S. 131E-85 is amended by adding a new subsection to read:

"(e) The Department shall not issue or renew a license under this Article unless the applicant has demonstrated that the procedures followed in determining hospital privileges are in accordance with this Part and rules of the Department."

Sec. 19. For the purpose of making applicable in the State the early opt-in provisions of Title 4 of the "Health Care Quality Improvement Act of 1986," P.L. 99-660, the State elects to exercise on October 1, 1987, the provisions of Title 4, Section 411(c)(2)(A) of that act to promote good faith professional review activities.

Sec. 20. This act shall become effective October 1, 1987, and shall apply to disciplinary actions commenced and suits filed on or after that date.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 401 CHAPTER 860

AN ACT TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO PARTICIPATE IN ENGINEERING AND CONSTRUCTION CONTRACTS WITH PRIVATE DEVELOPERS FOR PROPOSED STATE HIGHWAYS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 136 of the General Statutes is amended by adding a new section to read:

"§ *136-28.5. Private contract participation by the Department of Transportation.*--(a) The Department of Transportation may participate in private engineering and construction contracts for State highways.

(b) In order to qualify for State participation, the project must be:

(1) The construction of a street or highway on the Transportation Improvement Plan adopted by the Department of Transportation; or

(2) The construction of a street or highway on a mutually adopted thoroughfare plan that is designated a Department of Transportation responsibility.

(c) Only those projects in which the developer furnishes the right-of-way without cost to the Department of Transportation are eligible.

(d) The Department's participation shall be limited to fifty percent (50%) of the amount of any engineering contract and/or any construction contract let by the developer for the project.

(e) Participation in the contracts shall be limited to cost associated with normal practices of the Department of Transportation.

(f) Plans for the project must meet Department of Transportation standards and shall be approved by the Department of Transportation.

(g) Projects shall be constructed in accordance with the plans and specifications approved by the Department of Transportation.

(h) The Secretary shall report in writing, on a quarterly basis, to the Joint Legislative Commission on Governmental Operations on all agreements entered into between a private developer and the Department of Transportation for participation in private engineering and construction contracts under this section."

Sec. 2. This act is effective upon ratification, and shall expire June 30, 1989.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1018 **CHAPTER 861**

AN ACT TO PERMIT THE DEPARTMENT OF HUMAN RESOURCES TO ACCEPT CERTAIN GRANTS.

The General Assembly of North Carolina enacts:

Section 1. The Executive Budget Act, Article 1 of Chapter 143 of the General Statutes, is amended by adding a new section to read:

"§ *143-23.2. Transfers to Department of Human Resources.*--(a) Political subdivisions may appropriate funds directly to the Department of Human Resources, other public agencies and private sources may transfer funds to the Department, and the Department may accept unconditional and unrestricted donations of such funds. Notwithstanding the provisions of this Article which might forbid such transfer or donation, North Carolina Memorial Hospital may transfer funds as provided by the previous sentence of this section.

(b) Contributed funds shall be subject to the Department of Human Resources administrative control and allocated as provided in the current operations appropriations act, except such contributions shall not reduce State general revenue funding. At the end of any fiscal year, the unobligated balance of any such funds shall not revert to the General Fund, but shall be reappropriated for these purposes in the next fiscal year."

Sec. 2. Part 6 of Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:

"§ *108A-66. Increased per diem rate for certain hospitals serving indigent patients.*--The Department of Human Resources, Division of Medical Assistance, shall develop, as part of the Medicaid Hospital Reimbursement Plan, a new method for increasing per diem rates to those hospitals serving a disproportionate share of indigent patients. This plan shall take into account the charity care provided to patients with incomes equal to or below two hundred percent (200%) of the annual federal poverty guidelines issued by the United States Department of Health and Human Services in inpatient, outpatient, pharmaceutical and pregnancy related services. The Department of Human Resources, Division of Medical Assistance, may take into account any other factors that the Department determines are related to the disproportionate distribution of indigent care."

Sec. 3. Of the funds appropriated to the Department of Human Resources, Division of Medical Assistance, five thousand dollars ($5,000) for the 1987-88 fiscal year shall be used to implement this section.

Sec. 4. Section 1 of this act shall become effective January 1, 1988. Section 2 of this act shall become effective when funds are

available to implement it, except that the Department of Human Resources may prior to that date develop the method provided for by that section. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1185 **CHAPTER 862**

AN ACT TO TRANSFER THE BUNCOMBE COUNTY COMMUNITY PENALTIES PROGRAM FROM THE DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY TO THE ADMINISTRATIVE OFFICE OF THE COURTS.

The General Assembly of North Carolina enacts:

Section 1. The statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing of the Department of Crime Control and Public Safety to conduct in Buncombe County a community penalties program as provided by Part 6 of Article 11 of Chapter 143B of the General Statutes is transferred to the Administrative Office of the Courts.

Sec. 2. Notwithstanding Part 6 of Article 11 of Chapter 143B of the General Statutes, the community penalties program in Buncombe County shall provide its services to all offenders as the court may direct and may not limit program services to offenders who have committed class H, I, or J felonies or who are prison bound misdemeanants. Guidelines for operating the program shall be developed by the Chief District Court Judge of Buncombe County and shall exclude the placement, referral, monitoring or supervision of all clients required to perform community service or free work directed by the judge which may or may not be included in a community penalty plan or part of a deferred prosecution plan. This act shall not be construed to empower the Community Penalties Program in Buncombe County to perform any of the functions or provide any of the services otherwise already provided by the Community Service Work Program under the direction of the North Carolina Department of Crime Control and Public Safety, Division of Victim and Justice Services. The Chief District Court Judge may consult with and use the services of an advisory board as he deems appropriate. The operations staff for the program in Buncombe County shall be appointed by the Director of the Administrative Office of the Courts, based upon the recommendation of the Chief District Court Judge of

Buncombe County.

Sec. 3. Of the funds appropriated to the Department of Crime Control and Public Safety in Section 2 of the Current Operations Appropriations Act of 1987 to conduct the community penalties programs the sum of twenty-three thousand three hundred thirty-three dollars ($23,333) for the 1987-88 fiscal year and the sum of twenty-eight thousand dollars ($28,000) for the 1988-89 fiscal year are transferred to the Judicial Department to implement this act.

Sec. 4. Of the funds appropriated to the Judicial Department in Section 2 of the Current Operations Appropriations Act of 1987 the sum of twenty-one thousand three dollars ($21,003) for the 1987-88 fiscal year and the sum of twenty-three thousand three hundred sixty-eight dollars ($23,368) for the 1988-89 fiscal year shall be used to implement this act.

Sec. 5. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1356 **CHAPTER 863**

AN ACT TO CLARIFY THE RESPONSIBILITIES OF THE DEPARTMENTS OF HUMAN RESOURCES AND PUBLIC EDUCATION FOR THE ADOLESCENT SUBSTANCE ABUSE PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122C-113 is amended by inserting a new subsection to read:

"(b1) The Secretary shall cooperate with the State Board of Education in coordinating the responsibilities of the Department of Human Resources and of the Department of Public Education for adolescent substance abuse programs. The Department of Human Resources, through its Division of Mental Health, Mental Retardation, and Substance Abuse Services, shall be responsible for intervention and treatment in non-school based programs. The Department of Public Education shall have primary responsibility for in-school education, identification, and intervention services, including student assistance programs."

Sec. 2. Effective July 1, 1988, appropriations for local school units' and Department of Human Resources agencies' adolescent substance abuse program components shall be contingent upon the development of policies and procedures by the Department of Human Resources and of the Department of Public Education that ensure ease of referrals between school based programs and non-school based

programs such as community based intervention and treatment programs that ensure continued educational services while in treatment and that ensure reentry to public school after non-school based treatment.

The Department of Human Resources and the Department of Public Education shall make a written report detailing the policies and procedures, along with recommendations for any legislative action, to the Joint Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office by May 1, 1988.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 785 **CHAPTER 864**

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE INSURANCE LAW AND TO ASSIST INSUREDS IN REPLACING COVERAGE FROM INSOLVENT INSURANCE COMPANIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-9.7(a) reads as rewritten:

"(a) This section applies to any person who is subject to licensure or certification under the provisions of this Chapter, General Statutes Chapters 57, 57B or 85C, Articles 9B or 9C of General Statutes Chapter 66, or ~~Articles 9A or 9B~~ Article 9B of General Statutes Chapter 143."

Sec. 2. G.S. 58-30.5(e) reads as rewritten:

"(e) Any adjustments in rates for nonfleet passenger motor vehicle insurance to offset any reduction in premium level due to the implementation of the provisions of this section shall be made through adjustments to the base rates for the affected coverages. Such adjustments shall be filed by the Bureau with the Commissioner in accordance with the standards and procedures of Articles 12B and 25A of this Chapter. ~~In no event shall such adjustments be deemed to be changes in the total combined general rate level within the meaning of G.S. 58-124.26.~~"

Sec. 3. (a) G.S. 58-42.1 reads as rewritten:

"*§ 58-42.1. 'Twisting' with respect to insurance policies defined; penalties.*--Any insurer, or any agent of any insurer, who shall engage in twisting, as defined in this section, shall be subject to the provisions of G.S. 58-37 and 58-38 or G.S. 58-44.4 and ~~58-44.6~~ 58-9.7. As used in this section 'twisting' shall mean the willful, material

misrepresentation of an insurance contract, whereby an insured is deceived and induced to cancel or terminate insurance in force to such insured's detriment."

(b) G.S. 58-57 reads as rewritten:

"§ *58-57. Investigations; hearings.*--For the purpose of conducting investigations and holding hearings on insurance premium finance companies, the Commissioner shall have the same authority as that vested in him by G.S. 58-9.2 and ~~58-44.6~~ 58-9.7."

(c) G.S. 66-49.13 reads as rewritten:

"§ *66-49.13. Powers of Commissioner.*--The Commissioner shall have the same powers and authority for the purpose of conducting investigations and hearings under this Article as that vested in him by G.S. 58-9.2 and ~~58-44.6~~ 58-9.7.

(1) To investigate possible violation of this Article and to report evidence thereof to the Attorney General who may recommend prosecution to the appropriate solicitor;

(2) To suspend or revoke any license issued under this Article upon a finding, after notice and opportunity for hearing, that the holder of said license has violated any of the provisions of this Article, or has failed to maintain the standards requisite to original licensing as indicated in G.S. 66-49.12 hereof;

(3) To require any licensee to cease doing business through any particular agent or representative upon a finding after notice and opportunity for hearing, that such agent or representative has intentionally made false or misleading statements concerning the motor club services offered by the motor club represented by him;

(4) To approve or disapprove the name, trademarks, emblems, and all forms which an applicant for license or licensee employs or proposes to employ in connection with its business. If such name, trademarks or emblems is distinctive and not likely to confuse or mislead the public as to the nature or identity of the motor club using or proposing to use it, then it shall be approved, otherwise, the Commissioner may disapprove its use and effectuate such disapproval by the issuance of an appropriate order; and

(5) To make any rules or regulations necessary to enforce the provisions of this Article."

Sec. 4. G.S. 58-134.4 is amended by substituting "G.S. 58-134.3" for "G.S. 58-134.4" in the text of that section.

Sec. 5. G.S. 58-155.15(d) is amended by substituting "G.S. 58-155.10 through G.S. 58-155.17" for "this act".

Sec. 6. G.S. 58-155.60, as found in the 1985 Supplement, is amended in the first paragraph as follows:

(a) By substituting "this Chapter" for "Chapter 58 of the General Statutes"; and

(b) By deleting "in excess of one hundred dollars ($100.00)".

Sec. 7. G.S. 58-177.1 is amended by substituting "Article 12B of this Chapter" for "G.S. 58-126.1".

Sec. 8. G.S. 58-188.9 is repealed.

Sec. 9. G.S. 58-3.2(2) reads as rewritten:

"(2) A warranty incidental to the sale of real property providing for the repair or replacement of the items covered by the warranty for defective parts and mechanical failure or resulting from ordinary wear and tear, which warranty excludes from its coverage damage from recognizable perils such as fire, flood, and wind, which perils do not relate to any defect in the items covered nor result from ordinary wear and tear. Any person issuing such warranties shall post a surety bond with the Secretary of State in the principal sum of not less than seventy-five thousand dollars ($75,000), which bond shall be subject to the approval of the Secretary of State. Any person to whom the warranty is issued has the right to institute an action to recover against the warrantor and the surety bond for breach of warranty."

Sec. 10. G.S. 58-367(5) is amended by substituting "G.S. 58-2(3)" for "G.S. 58-2(2)".

Sec. 11. G.S. 58-371(a)(2) is amended by substituting "57B" for "57A".

Sec. 12. Article 24A of General Statute Chapter 58, comprising G.S. 58-241.6 through G.S. 58-241.34, is recodified as Part 13 of Article 10 of General Statute Chapter 143B, to comprise respectively G.S. 143B-472 through G.S. 143B-472.28.

Sec. 13. G.S. 58-241.6, recodified as G.S. 143B-472 by Section 12 of this act, is amended by substituting "G.S. 143B-472.1" for "G.S. 58-241.7".

Sec. 14. G.S. 58-241.11, recodified as G.S. 143B-472.5 by Section 12 of this act, is amended by substituting "G.S. 143B-472.3" for "Article 13 of [G.S. 58-241.9]".

Sec. 15. G.S. 58-241.13, recodified as G.S. 143B-472.7 by Section 12 of this act, is amended by substituting "G.S. 143B-472.16" for "[G.S. 58-241.22]".

Sec. 16. G.S. 58-241.16, recodified as G.S. 143B-472.10 by Section 12 of this act, is amended by substituting "G.S. 143B-472.3" for "[G.S. 58-241.9]".

Sec. 17. G.S. 58-164(d) is amended by substituting "surplus lines licensees as provided in Article 36 of this Chapter" for "authorized surplus lines agents or authorized surplus lines brokers as provided in G.S. 58-53.1, 58-53.2, and 58-53.3".

Sec. 18. G.S. 58-155.15(a)(3) and G.S. 58-155.15(a)(5) are each amended by substituting "those arising out of reinsurance agreements" for "reinsurers".

Sec. 19. (a) G.S. 58-7.1 reads as rewritten:

"§ *58-7.1. Chief deputy commissioner.*--The Commissioner shall appoint and may remove at his discretion a chief deputy commissioner, who, in the event of the absence, death, resignation, disability or disqualification of the Commissioner, or in case the office of Commissioner shall for any reason become vacant, shall have and exercise all the powers and duties vested by law in the Commissioner. He shall receive such compensation as fixed and provided by the ~~Budget Bureau~~ Department of Administration."

(b) G.S. 58-7.2 reads as rewritten:

"§ *58-7.2. Chief actuary.*--The Commissioner shall appoint and may remove at his discretion a chief actuary, who shall receive such compensation as fixed and provided by the ~~Budget Bureau~~ Department of Administration."

Sec. 20. G.S. 58-7.3 reads as rewritten:

"§ *58-7.3. Other deputies, actuaries, examiners and employees.*--The Commissioner shall appoint or employ such other deputies, actuaries, economists, examiners, licensed attorneys, rate and policy analysts, accountants, fire and rescue training instructors, market conduct analysts, insurance complaint analysts, investigators, engineers, building inspectors, risk managers ~~and may remove at his discretion such other deputies, actuaries, examiners~~, clerks and other employees as may be found necessary for the proper execution of the work of the ~~Insurance~~ Department, at such compensation as shall be fixed and provided by the ~~Budget Bureau~~ Department of Administration. If the Commissioner finds it necessary for the proper execution of the work of the Insurance Department to contract with persons, except to fill authorized employee positions, all those contracts, except those provided for in Articles 12B and 25A of this Chapter, shall be made pursuant to the provisions of Article 3C of Chapter 143 ~~of the General Statutes regarding contracts to obtain consultant services~~."

Sec. 21. Effective September 1, 1987, G.S. 58-536(a) is amended in the first sentence by substituting "for which he is acting as an administrator" for "specified in G.S. 58-72(1) through G.S. 58-72(3)".

Sec. 22. G.S. 58-60 reads as rewritten:

"§ *58-60. Procedure for cancellation of insurance contract upon default; return of unearned premiums; collection of cash surrender value.*--When an insurance premium finance agreement contains a power of attorney or other authority enabling the insurance premium finance company to cancel any insurance contract or contracts listed in the

agreement, the insurance contract or contracts shall not be cancelled unless such cancellation is effectuated in accordance with the following provisions:

(1) Not less than 10 days' written notice be mailed to the last known address of the insured or insureds shown on the insurance premium finance agreement of the intent of the insurance premium finance company to cancel his or their insurance contract or contracts unless the defaulted installment payment is received. A notice thereof shall also be mailed to the insurance agent.

(2) After expiration of such period, the insurance premium finance company shall mail the insurer a request for cancellation, including a copy of the power of attorney, and shall mail a copy of the request for cancellation to the insured at his last known address as shown on the insurance premium finance agreement.

(3) Upon receipt of a copy of such request for cancellation notice by the insurer ~~or insurers~~, the insurance contract shall be cancelled with the same force and effect as if the aforesaid request for cancellation had been submitted by the insured himself, without requiring the return of the insurance contract or contracts.

(4) All statutory, regulatory, and contractual restrictions providing that the insured may not cancel his insurance contract unless he ~~or the insured~~ first satisfies such restrictions by giving a prescribed notice to a governmental agency, the insurance carrier, an individual, or a person designated to receive such notice for said governmental agency, insurance carrier, or individual shall apply where cancellation is effected under the provisions of this section.

(5) Whenever an insurance contract is cancelled in accordance with this section, the insurer shall promptly return whatever gross unearned premiums are due under the contract to the insurance premium finance company effecting the cancellation for the benefit of the insured or insureds. Whenever the return premium is in excess of the amount due the insurance premium finance company by the insured under the agreement, such excess shall be remitted promptly to the order of the insured, subject to the minimum service charge provided for in this Article.

(6) The provisions of this section relating to request for cancellation by the insurance premium finance company of an insurance contract and the return by an insurer of unearned premiums to the insurance premium finance company, also, apply to the surrender by the insurance premium finance company of an insurance contract providing life insurance and the payment by the insurer of the cash value of the contract to the insurance premium finance company,

except that the insurer may require the surrender of the insurance contract."

Sec. 23. G.S. 58-7.5 reads as rewritten:

"§ 58-7.5. *Deposits; use of master trust.*--Notwithstanding any other provision of law, the Commissioner is authorized to select a bank or trust company as master trustee to hold cash or securities to be pledged to the State when deposited with him pursuant to statute. Securities may be held by the master trustee in any form which, in fact, perfects the security interest of the State in the securities. The Commissioner shall by rule establish the manner in which the master trust shall operate. The master trustee may charge the ~~company~~ person making the deposit reasonable fees for services rendered in connection with the operation of the trust."

Sec. 24. G.S. 58-173.8(b) and G.S. 58-173.20 are each amended by inserting the following immediately after "extended coverage": ", optional perils endorsements, or their successor forms of coverage,".

Sec. 25. G.S. 20-310(i) reads as rewritten:

"(i) Notwithstanding any provision herein contained, any insured may within 10 days of the receipt of the notice of cancellation or notice of intention not to renew, or the receipt of the reason or reasons for cancellation or refusal to renew if they were not stated in the notice, be entitled to request in writing that the Commissioner of Insurance review the action of an insurer in canceling or refusing to renew the policy of such insured. Within said 10-day period the insured may also request in writing a hearing in regard to such review; otherwise, the right of the insured for a hearing shall be deemed waived. On receiving a request in writing for a review of the action of such insurer, the Commissioner of Insurance shall immediately notify the insurer involved of the insured's request and the charges involved, if known, and on receipt of said notification and within 10 days thereafter the insurer may make a request in writing for a hearing in regard to such review; otherwise, the right of the insurer to such a hearing shall be deemed waived. If neither the insurer or the insured by request in writing or the Commissioner of Insurance of his own motion requires a hearing, then in such event the Commissioner of Insurance shall make such investigation as he deems appropriate to determine if the insurer has violated the provisions of this section, and shall after appropriate findings of fact either approve the cancellation or nonrenewal of such policy or order the insurer to renew, reissue, or reinstate such policy on such terms as may be just. At the written request of the insured or insurer or on his own motion, the Commissioner of Insurance shall after notice

conduct a hearing to determine if the insurer has violated the provisions of this section, and after appropriate findings of fact, shall within 40 days after receipt in writing of a request for review by the insured, either approve the cancellation or nonrenewal of such policy or order the insurer to renew, reissue, or reinstate such policy on such terms as may be just. In addition, if the Commissioner of Insurance finds after notice and hearing and after appropriate findings of fact, that the insurer has willfully violated the provisions of this section or has acted without reasonable investigation into the grounds for action of cancellation or nonrenewal, he may order the insurer involved to pay the reasonable expenses and costs of the investigation and hearing conducted by the Commissioner not to exceed the sum of three hundred dollars ($300.00) and such costs as are ordered paid by the Commissioner pursuant to the provisions of this section shall be paid as a condition of such insurer continuing to write automobile insurance business in this State. Any insured or insurer aggrieved by any order or decision of the Commissioner of Insurance may appeal said order and decision to the Superior Court of Wake County pursuant to and subject to the provisions of G.S. 58-9.3. All examinations, investigations, and hearings provided by this subsection may be conducted by the Commissioner personally or by one or more of his deputies, actuaries, examiners, licensed attorneys, or employees designated by him for the purpose, and any order entered by such hearing officer other than the Commissioner shall have the same force and effect as if entered by the Commissioner himself. All hearings shall be held at such time and place as shall be designated in a notice which shall be given by the Commissioner in writing to the person cited to appear at least 10 days before the date designated thereon. The notice shall state the subject of the inquiry and the specific charges, if any. It shall be sufficient to give such notice either by delivering it or by depositing the same in the United States mail, postage prepaid and addressed to the last known address of such insured or insurer. The policy shall remain in full force and effect during the pendency of review by the Commissioner of Insurance or the court except where the Commissioner of Insurance has sustained the action of the insurer and except where the cancellation or failure to renew was for nonpayment under subdivision (1) of subsection (d) and subdivision (4) of subsection (e) of this section, in which case the policy shall terminate as of the date provided in the notice under subsection (f) of this section."

Sec. 26. G.S. 58-30.4 reads as rewritten:

"*§ 58-30.4. Revised classifications and rates; safe driver insurance plan.*--The North Carolina Rate Bureau shall promulgate a revised basic classification plan and a revised subclassification plan for coverages on private passenger (nonfleet) motor vehicles in this State affected by the provisions of G.S. 58-30.3. Said revised basic classification plan will provide for the following four basic classifications to wit: (i) pleasure use only; (ii) pleasure use except for driving to and from work; (iii) business use; and (iv) farm use. The North Carolina Rate Bureau shall promulgate a revised subclassification plan which appropriately reflects the statistical driving experience and exposure of insureds in each of the four basic classifications provided for above, except that no subclassification shall be promulgated based, in whole or in part, directly or indirectly, upon the age or sex of the person insured. Such revised subclassification plan may provide for premium surcharges for insureds having less than two years' driving experience as licensed drivers, and shall provide for premium surcharges for drivers having a driving record consisting of a record of a chargeable accident or accidents, or having a driving record consisting of a conviction or convictions for a moving traffic violation or violations, or any combination thereof. The subclassification plan to be effective January 1, 1984, shall provide that in a policy insuring more than one motor vehicle, driving record premium surcharges for chargeable accidents and moving traffic violations shall be distributed equally among the motor vehicles so insured. The classification plans and subclassification plans so promulgated by the Bureau shall be subject to the filing, hearing, disapproval, review and appeal procedures before the Commissioner and the courts as provided for rates and classification plans in G.S. 58-124.20, 58-124.21, and 58-124.22. As used in this section, the term 'conviction' includes a determination that a person is responsible for an infraction as provided in Article 66 of Chapter 15A of the General Statutes."

Sec. 27. G.S. 58-30.5(b) reads as rewritten:

"(b) The subclassification plan shall provide that with respect to a conviction for a 'violation of speeding 10 miles per hour or less over the speed limit' there shall be no premium surcharge nor any assessment of points unless there is a driving record consisting of a conviction or convictions for a moving traffic violation or violations during the three years immediately preceding the date of application or the preparation of the renewal. As used in this section, the term 'conviction' includes a determination that a person is responsible for an infraction as provided in Article 66 of Chapter 15A of the General

Statutes."

Sec. 28. G.S. 58-124.31(b) is amended by adding the following sentence, at the end:

"As used in this section, the term 'conviction' includes a determination that a person is responsible for an infraction as provided in Article 66 of Chapter 15A of the General Statutes."

Sec. 29. The catch line for G.S. 58-16.3 reads as rewritten:

"*§ 58-16.3. Examination, ~~annual~~ financial statement, and records of employers self-insuring for workers' compensation.*"

Sec. 30. G.S. 58-490 is amended by substituting ", city, or housing authority" for "or municipal corporation".

Sec. 31. G.S. 58-44.5(b) reads as rewritten:

"(b) No insurer, broker, or agent ~~may~~ shall knowingly charge~~,~~ to or demand~~.~~ or receive from an applicant for insurance any money or other ~~any~~ consideration ~~that exceeds the filed and approved premium for any policy of insurance~~ in return for the processing of applications or other forms or for the rendering of services associated with the issuance or renewal of a contract of insurance, which money or other consideration is in addition to the filed and approved premium for such contract, unless the applicant ~~for insurance~~ consents in writing before any services are rendered. ~~Any fee charged by a broker or agent for the purpose of compensation for the filling out and completion of applications or forms or the rendering of services associated with the issuance or renewal of a policy of insurance is not allowed, absent the applicant's prior consent, if a commission will be paid by an insurer to the agent or broker on the issuance or renewal of the policy.~~"

Sec. 32. The catch line of G.S. 58-44.5 reads as rewritten:

"*§ 58-44.5. Rebates and charges in excess of premium prohibited; exception.*"

Sec. 33. G.S. 58-124.31(c) is amended in the first sentence by changing the period to a semicolon and by adding the following:

"provided that the 105-day disapproval period in G.S. 58-124.21(a) and the 50-day deemer period in G.S. 58-124.21(b) do not apply to filings or modifications made under this section."

Sec. 34. G.S. 58-2 reads as rewritten:

"*§ 58-2. Definitions.*--In this Chapter, unless the context otherwise requires,

(1) 'Alien company' means a company incorporated or organized under the laws of any jurisdiction outside of the United States.

(2) 'Commissioner' means Commissioner of Insurance of North Carolina.

(3) 'Company' or 'insurance company' or 'insurer' shall be

deemed to include any corporation, association, partnership, society, order, individual or aggregation of individuals engaging or proposing or attempting to engage as principals in any kind of insurance business, including the exchanging of reciprocal or interinsurance contracts between individuals, partnerships and corporations.

(4) 'Department' means Department of Insurance of North Carolina.

(5) 'Domestic company' means a company incorporated or organized under the laws of this State.

(6) 'Foreign company' means a company incorporated or organized under the laws of the United States or of any jurisdiction within the United States other than this State.

(7) 'NAIC' means the National Association of Insurance Commissioners.

~~(6a)~~ (8) 'Nuclear insured' means a public utility procuring insurance against radioactive contamination and other risks of direct physical loss at a nuclear electric generating plant.

~~(7)~~ (9) 'Person' includes an individual, aggregation of individuals, corporation, company, association and partnership.

~~(8)~~ (10) The singular form shall include the plural, and the masculine form shall include the feminine wherever appropriate."

Sec. 35. G.S. 58-427(2) is amended by substituting "prescribed" for "furnished".

Sec. 36. G.S. 58-436 is amended by substituting "January, April, July, and October" for "March, June, September, and December" and by deleting "in duplicate".

Sec. 37. G.S. 58-437(b) is amended by substituting "At the same time that he files" for "Within 20 days after filing".

Sec. 38. G.S. 58-68 reads as rewritten:

"§ *58-68. Policyholders to furnish information.*--To enable the Commissioner of Insurance the better to enforce the payment of the taxes imposed by this Chapter and by G.S. ~~105-121~~ 105-228.5 every corporation, firm, or individual doing business in the State shall, upon demand of the Commissioner, furnish to him, upon blanks to be provided by him, a statement of the amount of all insurance held by them, giving the name of the company, number, and amount of policies and the premiums paid on each, and such other information as the Commissioner calls for, or shall file an affidavit with the Commissioner that all their insurance is placed in companies licensed to do business in this State."

Sec. 39. The first paragraph of G.S. 58-72 reads as rewritten:

"§ *58-72. Kinds of insurance authorized.*-- The kinds of insurance which may be authorized in this State, subject to the other provisions of this Chapter, are set forth in the following paragraphs. Except to

the extent an insurer participates in a risk sharing plan under Article 37 of this Chapter, nothing herein contained shall require any insurer to insure every kind of risk which it is authorized to insure. Except to the extent an insurer participates in a risk sharing plan under Article 37 of this Chapter no insurer may transact any other business than that specified in its charter and articles of association. The power to do any kind of insurance against loss of or damage to property shall include the power to insure all lawful interests in such property and to insure against loss of use and occupancy, rents and profits resulting therefrom; but no kind of insurance shall be deemed to include life insurance or insurance against legal liability for personal injury or death unless specified herein. In addition to any power to engage in any other kind of business than an insurance business which is specifically conferred by the provisions of this Chapter, any insurer authorized to do business in this State may engage in such other kind or kinds of business to the extent necessarily or properly incidental to the kind or kinds of insurance business which it is authorized to do in this State. Each of the following paragraphs indicates the scope of the kind of insurance business specified therein:"

Sec. 40. G.S. 58-72(22) reads as rewritten:

"(22) 'Miscellaneous insurance,' meaning insurance against any other casualty authorized by the charter of the company, not included in subdivisions (1) to (21) inclusive of this section, which is a proper subject of insurance. ~~Except to the extent an insurer participates in a risk sharing plan under Article 37 of this Chapter, no corporation so formed may transact any other business than that specified in its charter and articles of association.~~"

Sec. 41. G.S. 58-173.7 is amended in the second and third sentences of the final paragraph by substituting "paragraph" for "subsection".

Sec. 42. G.S. 58-251.1(11) is amended by substituting "provided" for "required".

Sec. 43. G.S. 58-18.1(b) reads as rewritten:

"(b) In the absence of fraud or bad faith, no person is subject to civil liability for defamation for filing reports or furnishing other information, without malice, required by this Chapter or required by the Commissioner under the authority granted in this Chapter; and no cause of action for defamation arises against such person (1) for any information relating to suspected fraudulent insurance acts furnished to or received from the Commissioner, his designee, or law enforcement officials or their agents and employees; (2) for any information relating to suspected fraudulent insurance acts furnished

to or received from other persons subject to the provisions of this Chapter; or (3) for any such information furnished in reports to the ~~Insurance Fraud Bureau of The National Association of Insurance Commissioners~~ Commissioner or his staff, the Attorney General or his staff, the NAIC, or any organization established to detect and prevent fraudulent insurance acts, or their agents, employees or designees; nor shall the Commissioner ~~or any employee of the Insurance Frauds Bureau~~ or his staff, the Attorney General or his staff, or any representative of the NAIC, acting without malice, in the absence of fraud or bad faith, be subject to liability for defamation, and no cause of action for defamation arises against such person for the publication of any confidential report or bulletin related to the official activities of the ~~Insurance Frauds Bureau~~ Commissioner, the Attorney General, or the NAIC. Nothing in this section abrogates or modifies any common law or statutory privilege or immunity enjoyed by any person."

Sec. 44. G.S. 58-155.10(12) is rewritten to read:

"(12) 'State' means any state of the United States, the District of Columbia, or Puerto Rico."

Sec. 45. G.S. 58-40.5 reads as rewritten:

"§ *58-40.5. Exceptions to requirements for licensing.*--Nothing contained in ~~Article 3 of Chapter 58~~ this Chapter shall be construed as prohibiting the purchase of insurance by, or requiring the licensing of, a person who arranges the purchase of insurance to cover property in which he or his employer has an insurable interest, provided such insurance is issued through an agent duly licensed under this Article."

Sec. 46. G.S. 58-54.20 reads as rewritten:

"§ *58-54.20. Purpose of Article.*--It is the purpose of this Article to abate and prevent the practices of unauthorized insurers within the State of North Carolina, and to provide methods for effectively enforcing the laws of this State against such practices. The General Assembly finds that there is within this State a substantial amount of insurance business being transacted by insurers who have not complied with the laws of this State and have not been authorized by the Commissioner of Insurance to do business. These practices by unauthorized insurers are deemed to be harmful and contrary to public welfare of the citizens of this State. The difficulties which arise from the acts and practices of unauthorized insurers ~~is~~ are compounded by the fact that such companies ~~are~~ may be licensed in foreign jurisdictions and conduct a long-range business without having personal representatives or agents in proximity to insureds. The General Assembly further declares that it is a subject of vital public

interest to the State that unlicensed and unauthorized companies have been and are now engaged in soliciting by way of direct mail and other advertising media, insurance risks within this State, and that such companies enjoy the many benefits and privileges provided by the State as well as the protection afforded to citizens under exercise of the police powers of the State, without themselves being subject to the laws designed to protect the insurance consuming public. The provisions of this Article are in addition to all other statutory provisions of this Chapter ~~58~~ relating to unauthorized insurers and do not replace, alter, modify or repeal such existing provisions."

Sec. 47. G.S. 58-54.21 reads as rewritten:

"*§ 58-54.21. Transacting business without certificate of authority prohibited; exceptions.*--Except as hereinafter provided, it shall be unlawful for any company to enter into a contract of insurance as an insurer or to transact insurance business in this State as set forth in G.S. 58-54.22 ~~of this Article~~, without a certificate of authority issued by the Commissioner ~~of Insurance~~. This section shall not apply to the following acts or transactions:

(1) The procuring of a policy of insurance upon a risk within this State where the applicant is unable to procure coverage in the open market with admitted companies and is otherwise in compliance with Article 36 of this Chapter;

(2) Contracts of reinsurance;

(3) Transactions in this State involving a policy lawfully solicited, written and delivered outside of this State covering only subjects of insurance not resident, located or expressly to be performed in this State at the time of issuance, and which transactions are subsequent to the issuance of such policy;

(4) Transactions in this State involving group or blanket insurance and group annuities where the master policy of such group insurance was lawfully issued and delivered in a state where the company was authorized to transact business;

(5) Transactions in this State involving all policies of insurance issued prior to July 1, 1967;

(6) The procuring of contracts of insurance issued to an 'industrial insured' as hereinafter defined, or to a nuclear insured.

For the purposes of this section, an 'industrial insured' is an insured (i) who procures the insurance of any risk or risks by use of the services of a full-time employee acting as an insurance manager or buyer, (ii) whose aggregate annual premiums for insurance on all risks total at least twenty-five thousand dollars ($25,000), and (iii)

who has at least 25 full-time employees: Provided, nothing herein shall relieve such industrial insured from complying with the provisions of Article 36 of this Chapter."

Sec. 48. Effective February 1, 1988, Section 7 of Chapter 629 of the 1987 Session Laws is rewritten to read:

"Sec. 7. G.S. 58-44.5 is repealed."

Sec. 49. Effective February 1, 1988, G.S. 58-626(a) and (b) are each amended by inserting "insurer," between "No" and "agent" in the first and second sentences of G.S. 58-626(a) and in the first sentence of G.S. 58-626(b).

Sec. 50. G.S. 58-241.9, recodified as G.S. 143-472.3 by Section 12 of this act, is amended in Articles 11 and 12 by substituting "G.S. 143-472.18" for "(G.S. 58-241.24)".

Sec. 51. Article 2 of General Statute Chapter 69, comprising G.S. 69-8 through G.S. 69-13, is repealed.

Sec. 52. G.S. 69-26 through G.S. 69-31 and G.S. 69-35 through G.S. 69-37 are repealed.

Sec. 53. G.S. 58-191.3 reads as rewritten:

"§ *58-191.3. Professional liability insurance for officials and employees of the State.*--The Commissioner of Insurance may acquire professional liability insurance covering the officers and employees of any State department, institution or agency upon the request of such State department, institution or agency. Premiums for such insurance coverage shall be paid by the requesting department, institution or agency at rates fixed by the Commissioner from funds made available to it for the purpose. The Commissioner, in placing a contract for such insurance is authorized to place such insurance through the Public Officers and Employees' Liability Insurance Commission ~~of the Department of Administration~~, and shall exercise all efforts to place such insurance through the said commission prior to attempting to procure such insurance through any other source.

The Commissioner, pursuant to this section, may acquire professional liability insurance covering the officers and employees of a department, institution or agency of State government only if the coverage to be provided by such policy is coverage of claims in excess of the protection provided by Articles 31 and 31A of Chapter 143 of the General Statutes.

The purchase, by any State department, institution or agency of professional liability insurance covering the law-enforcement officers, officers or employees of such department, institution or agency shall not be construed as a waiver of any defense of sovereign immunity by such department, institution or agency. The purchase of such insurance shall not be deemed a waiver by any employee of the

defense of sovereign immunity to the extent that such defense may be available to him.

The payment, by any State department, institution or agency of funds as premiums for professional liability insurance through the plan provided herein, covering the law-enforcement officers or officials or employees of such department, institution or agency is hereby declared to be for a public purpose."

Sec. 54. G.S. 97-107 reads as rewritten:

"*§ 97-107. Stock Workers' Compensation Security Fund created.*-- There is hereby created a fund to be known as 'The Stock Workers' Compensation Security Fund,' for the purpose of assuring to persons entitled thereto the compensation provided by the Workers' Compensation Act for employments insured in insolvent stock carriers and for valid claims for the return of unearned premiums. Such fund shall be applicable to the payment of valid claims for the return of unearned premiums not exceeding ten thousand dollars ($10,000) per policy and for compensation or death benefits heretofore or hereafter made pursuant to the Workers' Compensation Act, and remaining unpaid, in whole or in part, by reason of the default, after the effective date of this Article, of an insolvent stock carrier. Expenses of administration also shall be paid from the fund as herein provided. Such fund shall consist of all contributions received and paid into the fund by stock carriers, as herein defined, all property and securities acquired by and through the use of moneys belonging to the fund, and of interest earned upon moneys deposited or invested as herein provided. The fund shall be administered by the Commissioner of this State in accordance with the provisions of this Article."

Sec. 55. G.S. 97-113(a) reads as rewritten:

"(a) A valid claim for benefits, or installments thereof, heretofore or hereafter made pursuant to the Workers' Compensation Act, and for valid claims for the return of unearned premiums not exceeding ten thousand dollars ($10,000) per policy, which has remained or shall remain due and unpaid for 60 days, by reason of default by an insolvent stock carrier, shall be paid from the stock fund in the manner provided in this section. Any person in interest may file with the Commissioner an application for payment of benefits from the stock fund on a form prescribed and furnished by the Commissioner. If there has been an award, final or otherwise, a certified copy thereof shall accompany the application. The Commissioner shall thereupon certify to the State Treasurer such award for payment according to the terms of the same, whereupon payment shall be made by the State Treasurer."

Sec. 56. G.S. 97-114 reads as rewritten:

"*§ 97-114. Mutual Workers' Compensation Security Fund created.*--There is hereby created a fund to be known as 'The Mutual Workers' Compensation Security Fund,' for the purpose of assuring to persons entitled thereto the benefits provided by the Workers' Compensation Act for employments insured in insolvent mutual carriers and the valid claims for the return of unearned premiums. Such fund shall be applicable to the payment of valid claims for the return of unearned premiums not exceeding ten thousand dollars ($10,000) per policy and for benefits heretofore or hereafter made pursuant to the Workers' Compensation Act, and remaining unpaid, in whole or in part, by reason of the default, after the effective date of this Article, of an insolvent mutual carrier. Expenses of administration also shall be paid from the fund as herein provided. Such fund shall consist of all contributions received and paid into the fund by mutual carriers, as herein defined, of property and securities acquired by and through the use of moneys belonging to the fund and of interest earned upon moneys deposited or invested as herein provided. The fund shall be administered by the Commissioner in accordance with the provisions of this Article. The State Treasurer shall be the custodian of the fund, and shall invest its assets in accordance with the provisions of G.S. 147-69.2 and 147-69.3."

Sec. 57. G.S. 97-119 is amended by adding a new subdivision to read:

"(4) Of all claims for return of unearned premiums not exceeding ten thousand dollars ($10,000) per policy."

Sec. 58. G.S. 58-155.12(b) reads as rewritten:

"(b) The domiciliary receiver, for the purpose of liquidating an insurer domiciled in a reciprocal state, shall be vested by operation of law with the title to all of the property, contracts, ~~and~~ rights of action, ~~and all of the~~ books, and records of the insurer that are located in this State~~,~~; and he shall have the ~~immediate~~ right, acting through the ancillary receiver, to recover balances, less allowable offsets as provided in G.S. 58-155.28, due from local agents and to obtain possession of any books and records of the insurer that are found in this State. He shall also be entitled to recover the other assets of the insurer located in this State except that upon the appointment of an ancillary receiver in this State, the ancillary receiver shall during the ancillary receivership proceedings have the sole right to recover such other assets. The ancillary receiver shall, as soon as practicable, liquidate from their respective securities those special deposit claims and secured claims which are proved and allowed in the ancillary proceedings in this State, and shall pay the necessary expenses of the

proceedings. All remaining assets he shall promptly transfer to the domiciliary receiver. Subject to the foregoing provisions the ancillary receiver and his deputies shall have the same powers and be subject to the same duties with respect to the administration of such assets, as a receiver of an insurer domiciled in this State."

Sec. 59. G.S. 58-155.28 is amended by adding a new subsection to read:

"(c) A set-off credit shall be permitted to local agents against agents' balances otherwise payable to the domiciliary or ancillary receiver for the amount expended by such agents to replace insurance coverage of their insureds and the reasonable expenses incident thereto as a result of any domestic, foreign or alien insurer being placed in delinquency proceedings. Agents claiming such set-off shall within 60 days of replacing such coverage provide a verified accounting of the replacement of such insurance to the domiciliary receiver, the ancillary receiver, if any, and the North Carolina Insurance Guaranty Association or similar organization in the state of residence of the policyholder. The verified accounting shall include the name of the agent, the name of the insured, the policy number, the replacement policy number, the cost of the replacement policy, the amount of unearned premium under each policy as to which set off is claimed, any claimed expenses and a verification that the accounting has been provided to each of the persons and entities described herein. Unearned Premiums set off as provided above in any amount shall be deemed paid in full by the insurer and no person shall have a claim for such unearned premiums against the North Carolina Insurance Guaranty Association or similar organization in the state of residence of the policyholder."

Sec. 60. G.S. 58-155.47(a) reads as rewritten:

"(a) The board of directors of the Association shall consist of not less than five nor more than nine persons serving terms as established in the plan of operation. One non-voting member of the board shall be a property and casualty insurance agent authorized to write insurance for a member insurer, and appointed by the Commissioner; and the remaining ~~The~~ members ~~of the board~~ shall be selected by member insurers subject to the approval of the Commissioner. Vacancies of the Board shall be filled for the remaining period of the term in the same manner as initial appointments. If no members are selected within 60 days after June 25, 1971, the Commissioner may appoint the initial members of the board of directors."

Sec. 61. G.S. 58-54.24 reads as rewritten:

"§ *58-54.24. Commissioner* ~~*empowered to enjoin unauthorized companies*~~ *authorized to seek injunctions against unauthorized insurers.*-- Whenever the Commissioner ~~of Insurance~~ , from evidence satisfactory

to him, has reasonable grounds for believing that any ~~foreign or alien company~~ person is violating or is about to violate the provisions of G.S. 58-54.21, ~~the Commissioner~~ he may through the Attorney General of this State cause a complaint to be filed in the Superior Court of Wake County to enjoin and restrain such ~~company~~ person from continuing or engaging in such violations or ~~engaging therein, or~~ doing any act in furtherance thereof. The court shall have jurisdiction ~~of~~ over the proceedings and shall have the power to make and enter an appropriate order or judgment granting preliminary or final injunctive relief as in its discretion is proper: Provided, however, that the ~~company~~ person alleged to be in violation shall have been served with process as is provided ~~hereinafter~~ in G.S. 58-54.25."

Sec. 62. G.S. 58-54.25(c) reads as rewritten:

"(c) Upon the return to the Secretary of State of the requested return receipt showing delivery and acceptance of such registered mail, or upon the return of such registered mail showing refusal thereof by such ~~foreign or alien~~ unauthorized insurer, the Secretary of State shall note thereon the date of such return to him and shall attach either the return receipt or such refused mail including the envelope, as the case may be, to the copy of the process, notice or demand theretofore retained by him and shall mail the same to the clerk of the court in which such action or proceeding is pending and in respect of which such process, notice or demand was issued. Such mailing, in addition to the return by the sheriff, shall constitute the due return required by law. The clerk of the court shall thereupon file the same as a paper in such action or proceeding."

Sec. 63. G.S. 58-54.25(d) reads as rewritten:

"(d) Service made under this section shall have the same legal force and validity as if the service had been made personally in this State. The refusal of any such ~~foreign or alien~~ unauthorized insurer to accept delivery of the registered mail provided for in subsection (b) of this section or the refusal to sign the return receipt shall not affect the validity of such service; and any foreign or alien insurer refusing to accept delivery of such registered mail shall be charged with knowledge of the contents of any process, notice or demand contained therein."

Sec. 64. G.S. 58-54.25(e) reads as rewritten:

"(e) Whenever service of process is made upon the Secretary of State as herein provided the defendant ~~foreign or alien~~ unauthorized

insurer shall have 30 days from the date when the defendant receives or refuses to accept the registered mail containing the copy of the complaint sent as in this section provided in which to appear and answer the complaint in the action or proceeding so instituted. Entries on the defendant's return receipt or the refused registered mail shall be sufficient evidence of such date. If the date of acceptance or refusal to accept the registered mail cannot be determined from the entries on the return receipt or from notations of the postal authorities on the envelope, then the date when the defendant accepted or refused to accept the registered mail shall be deemed to be the date that the return receipt or the registered mail was received back by the Secretary of State."

Sec. 65. G.S. 58-124.32(d) reads as rewritten:

"(d) If the Commissioner finds that a filing complies with the provisions of this Article, either after the hearing or at any other time after the filing has been properly made, he may issue an order approving the filing. If the Commissioner after the hearing finds that the filing does not comply with the provisions of this Article, he may issue an order disapproving the filing, determining in what respect the filing is improper, and specifying the appropriate rate level or levels that may be used by the members of the Bureau instead of the rate level or levels proposed by the Bureau filing, unless there has not been data admitted into evidence in the hearing that is sufficiently credible for arriving at the appropriate rate level or levels. Any order issued after a hearing shall be issued within 45 days after the completion of the hearing. If no order is issued within 45 days after the completion of the hearing, the filing shall be deemed to be approved. The Commissioner may thereafter review any filing in the manner provided; but if so reviewed, no adjustment of any premium on any policy then in force may be ordered."

Sec. 66. G.S. 58-131.35 is amended by deleting all of subdivisions (8) and (9).

Sec. 67. Article 13C of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-131.35A. Other definitions.*--As used in this Article and in Articles 12B and 25A of this Chapter:

(1) 'Private passenger motor vehicle' means:

a. A motor vehicle of the private passenger or station wagon type that is owned or hired under a long-term contract by the policy named insured and that is neither used as a public or livery conveyance for passengers nor rented to others without a driver; or

b. A motor vehicle with a pick-up body, a delivery sedan or a panel truck that is owned by an individual or by

husband and wife or individuals who are residents of the same household and that is not customarily used in the occupation, profession, or business of the insured other than farming or ranching. Such vehicles owned by a family farm copartnership or corporation shall be considered owned by an individual for purposes of this Article; or

c. A motorcycle, motorized scooter or other similar motorized vehicle not used for commercial purposes.

(2) 'Nonfleet' motor vehicle means a motor vehicle not eligible for classification as a fleet vehicle for the reason that the motor vehicle is one of four or less motor vehicles owned or hired under a long-term contract by the policy named insured."

Sec. 68. Effective September 1, 1987, G.S. 58-543(3)c. is amended in the last sentence by deleting the word "Thirty" and substituting the word "Ninety".

Sec. 69. G.S. 58-143 is amended by adding a new sentence to read:

"The liability of the subscribers to make up any such deficiency may be limited by agreement between the subscribers and the attorney-in-fact, if the terms of such agreement and the conditions under which such agreement shall be applicable have been approved by the Commissioner."

Sec. 70. G.S. 58-54.21(4) is rewritten to read:

"(4) Transactions in this State involving group life insurance, group annuities, or group, blanket, or franchise accident and health insurance where the master policy of such insurance was lawfully issued and delivered in a state where the company was authorized to transact business;".

Sec. 71. Section 12 of Chapter 441 of the 1987 Session Laws is amended by substituting "obtain" for "obtained".

Sec. 72. G.S. 58-42 is repealed.

Sec. 73. G.S. 58-422(6) is amended by substituting "45" for "3".

Sec. 74. G.S. 58-42.1 is rewritten to read:

"*§ 58-42.1. Twisting with respect to insurance policies; penalties.*-- No insurer shall make or issue, or cause to be issued, any written or oral statement that willfully misrepresents or willfully makes an incomplete comparison as to the terms, conditions, or benefits contained in any policy of insurance for the purpose of inducing or attempting to induce a policyholder in any way to terminate or surrender, exchange, or convert any insurance policy. Any person

who violates this section is subject to the provisions of G.S. 58-9.7, 58-37 through 58-39, 58-42, and 58-44.4."

Sec. 75. G.S. 58-624 is rewritten to read:

"§ *58-624. Twisting with respect to insurance policies; penalties.*--No licensee shall make or issue, or cause to be issued, any written or oral statement that willfully misrepresents or willfully makes an incomplete comparison as to the terms, conditions, or benefits contained in any policy of insurance for the purpose of inducing or attempting to induce a policyholder in any way to terminate or surrender, exchange, or convert any insurance policy. Any person who violates this section is subject to the provisions of G.S. 58-9.7 and 58-618."

Sec. 76. G.S. 58-611(b) is amended by deleting the phrase, "as an independent contractor, as an employee of an insurer, or as an adjuster for any insured,".

Sec. 77. G.S. 58-611(e) is amended by deleting the phrase "as an independent contractor or as an employee of an independent contractor,".

Sec. 78. G.S. 58-614(g) is amended by deleting the comma after "insurer" and by inserting immediately after "58-617" the following: "or has a valid temporary license issued in accordance with G.S. 58-622".

Sec. 79. G.S. 58-614(o)(4) is amended by inserting "personal" between "and" and "supervision".

Sec. 80. G.S. 58-615(h)(2)b. is amended by deleting ", by facsimile signature and seal,".

Sec. 81. G.S. 58-616(5) is amended by inserting immediately after "representatives" the following: "or as motor vehicle damage appraisers."

Sec. 82. G.S. 58-622(b) is amended by adding the following at the end: "Upon meeting all license requirements the agent will be issued a permanent license. The temporary license will be cancelled and will be deemed to be a company appointment by the sponsoring company, if any."

Sec. 83. G.S. 58-622(e) is amended by deleting: "a permanent license that is issued to replace the temporary license"; and by inserting in lieu thereof: "an appointment by the sponsoring company that is recorded upon the licensee's qualifying for a permanent license".

Sec. 84. G.S. 58-634(a) is amended in the second paragraph by inserting "or appointed" between "licensed" and "to".

Sec. 85. G.S. 58-634(b) is amended by deleting "issuance of the permanent license" and substituting therefor "an appointment by the sponsoring company".

Sec. 86. G.S. 58-615(e)(1) is amended by substituting "or an adjuster" for ", adjuster, or motor vehicle damage appraiser".

Sec. 87. G.S. 58-614(f) is amended by inserting "G.S. 58-54.21 and" between "provided in" and "Article 36".

Sec. 88. G.S. 58-620(c) is amended in the second sentence by inserting "or other employer" between "insurer" and "and".

Sec. 89. G.S. 58-626 is amended in the section heading by inserting *"; exceptions"* immediately after *"prohibited"*.

Sec. 90. (a) G.S. 95-111.3 is amended by adding a new subsection to read:

"(h) The term 'waterslide' shall mean a stationary amusement device that provides a descending ride on a flowing water film through a trough or tube or on an inclined plane into a pool of water. This term does not include devices where the vertical distance between the highest and the lowest points does not exceed 15 feet."

(b) G.S. 95-111.12 is amended by adding one new subsection to read:

"(d) Operators of waterslides, as defined in G.S. 95-111.3(h), shall notify the Commissioner of all incidences of personal injury involving the waterslides, as required by G.S. 95-111.10(a)."

(c) The Commissioner shall compile the notifications of the incidences of personal injuries involving waterslides and report on their frequency and type to the General Assembly on or before May 15, 1989.

Sec. 91. (a) G.S. 95-111.12(a), as amended by Chapter 635 of the 1987 Session Laws, is amended by deleting "three hundred thousand dollars ($300,000)" and substituting "one hundred thousand dollars ($100,000)".

(b) Subsection (a) of this section shall expire on December 31, 1989.

Sec. 92. G.S. 58-194.3(b) is amended by adding the following paragraph:

"All payroll units in existence on May 21, 1985, shall continue to be deemed payroll units, regardless of any subsequent consolidation of such payroll units, for purposes of the appointment of the members of the Employee Insurance Committee in order to assure such units the continuing ability to meet the needs and desires of the employees of such units by having the right to select insurance carriers and insurance products. In the event of the consolidation of a payroll unit, the head of the former payroll unit shall appoint the members of the Committee in accordance with the provisions of this section."

Sec. 93. Section 33 of this act is retroactively effective on July 16, 1986. Sections 54 through 60 shall become effective October 1, 1987. Sections 72 through 89 shall become effective February 1, 1988. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1049 **CHAPTER 865**

AN ACT TO PERMIT THE USE OF FUNDS PREVIOUSLY ALLOCATED FROM THE RESERVE FOR REPAIRS AND RENOVATIONS FOR AN ADDITION TO THE R. L. VAUGHAN CENTER AT ELIZABETH CITY STATE UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other provisions of law, funds in the amount of nine hundred fifty thousand seven hundred dollars ($950,700) previously allocated from the Reserve for Repairs and Renovations may be used to construct an addition to the R. L. Vaughan Center at Elizabeth City State University. Any unexpended funds remaining in this project upon completion shall revert to the Reserve for Repairs and Renovations.

Sec. 2. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 10 **CHAPTER 866**

AN ACT TO TRANSFER THE RESPONSIBILITY FOR ISSUING BINGO LICENSES AND ESTABLISHING AUDIT PROCEDURES FOR BINGO ACCOUNTS FROM THE DEPARTMENT OF REVENUE TO THE DEPARTMENT OF HUMAN RESOURCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-309.7(a) is amended by rewriting that subsection to read:

"(a) An exempt organization may not operate a bingo game at a location without a license. Application for a bingo license shall be made to the Department of Human Resources on a form prescribed by the Department. The Department shall charge an annual application fee of one hundred dollars ($100.00) to defray the cost of issuing

bingo licenses and handling bingo audit reports. The fees collected shall be deposited in the General Fund of the State. This license shall expire one year after the granting of the license. This license may be renewed yearly, if the applicant pays the application fee and files an audit with the Department pursuant to G.S. 14-309.11. A copy of the application and license shall be furnished to the local law enforcement agency in the county or municipality in which the licensee intends to operate before bingo is conducted by the licensee."

Sec. 2. G.S. 14-309.7(e) is amended as follows:

(1) by rewriting the first sentence of that subsection to read:

"An exempt organization that wants to conduct only an annual or semiannual bingo game may apply to the Department of Human Resources for a limited occasion permit.";

(2) by deleting the word "Revenue" in the second and sixth sentences of that subsection and substituting the words "Human Resources"; and

(3) by deleting the word "single" each time it appears in that subsection and substituting the word "limited".

Sec. 3. G.S. 14-309.11(b) and (d) are each amended by deleting the word "Revenue" and substituting the words "Human Resources".

Sec. 4. This act shall become effective September 1, 1987, provided that the Current Operations Appropriations Act for fiscal years 1987-89 includes funding for personnel and other administrative expenses to implement the provisions of this act. If this act becomes effective, it shall apply to applications to renew a bingo license or obtain a new license made on or after the effective date.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 432 **CHAPTER 867**

AN ACT TO AUTHORIZE THE STATE BUREAU OF INVESTIGATION TO CONDUCT BACKGROUND INVESTIGATIONS ON PERSONS TO BE CONFIRMED BY THE GENERAL ASSEMBLY, THE SENATE, OR THE HOUSE OF REPRESENTATIVES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 114-19.1 reads as rewritten:

"§ *114-19.1. Fees for performing certain background investigations.*-- When the Department of Justice determines that any person is entitled by law to receive information, including criminal records, from the State Bureau of Investigation, for any purpose other than the

administration of criminal justice, the State Bureau of Investigation shall charge the recipient of such information a reasonable fee for retrieving such information. The fee authorized by this ~~subsection~~ section shall not exceed the actual cost of locating, editing, researching and retrieving the information, and may be budgeted for the support of the State Bureau of Investigation.

As used in this section, 'administration of criminal justice' means the performance of any of the following activities: the detection, apprehension, detention, pretrial release, post-trial release, prosecution, adjudication, correctional supervision, or rehabilitation of persons suspected of, accused of or convicted of a criminal offense. The term also includes screening for suitability for employment, appointment or retention of a person as a law enforcement or criminal justice officer, or as an officer of the court, or for suitability for appointment of a person who must be appointed or confirmed by the General Assembly, the Senate, or the House of Representatives.

Nothing in this section shall be construed as enlarging any right to receive any record of the State Bureau of Investigation. Such rights are and shall be controlled by G.S. 114-15, G.S. 114-19, G.S. 120-19.4A, and other applicable statutes."

Sec. 2. Chapter 120 of the General Statutes is amended by adding a new section to read:

"§ *120-19.4A. Requests to State Bureau of Investigation for background investigation of a person who must be confirmed by legislative action.*--The President of the Senate or the Speaker of the House may request that the State Bureau of Investigation perform a background investigation on a person who must be appointed or confirmed by the General Assembly, the Senate, or the House of Representatives. The person being investigated shall be given written notice by regular mail at least 10 days prior to the date that the State Bureau of Investigation is requested to perform the background investigation by the presiding officer of the body from which the request originated. There is a rebuttable presumption that the person being investigated received the notice if the presiding officer has a copy of the notice. The State Bureau of Investigation shall perform the requested background investigation and shall provide the information, including criminal records, to the presiding officer of the body from which the request originated. A copy of the information also shall be provided to the person being investigated. The term 'background investigation' shall be limited to an investigation of a person's criminal record, educational background, employment record, records concerning the

listing and payment of taxes, and credit record, and to a requirement that the person provide the information contained in the statements of economic interest required to be filed by persons subject to Executive Order Number 1, filed on January 31, 1985, as contained on pages 1405 through 1419 of the 1985 Session Laws (First Session, 1985)."

Sec. 3. G.S. 114-15 reads as rewritten:

"*§ 114-15. Investigations of lynchings, election frauds, etc.; services subject to call of Governor; witness fees and mileage for Director and assistants.*--The Bureau shall, through its Director and upon request of the Governor, investigate and prepare evidence in the event of any lynching or mob violence in the State; shall investigate all cases arising from frauds in connection with elections when requested to do so by the Board of Elections, and when so directed by the Governor. Such investigation, however, shall in nowise interfere with the power of the Attorney General to make such investigation as he is authorized to make under the laws of the State. The Bureau is authorized further, at the request of the Governor, to investigate cases of frauds arising under the Social Security Laws of the State, of violations of the gaming laws, and lottery laws, and matters of similar kind when called upon by the Governor so to do. In all such cases it shall be the duty of the Department to keep such records as may be necessary and to prepare evidence in the cases investigated, for the use of enforcement officers and for the trial of causes. The services of the Director of the Bureau, and of his assistants, may be required by the Governor in connection with the investigation of any crime committed anywhere in the State when called upon by the enforcement officers of the State, and when, in the judgment of the Governor, such services may be rendered with advantage to the enforcement of the criminal law. The State Bureau of Investigation is hereby authorized to investigate without request the attempted arson of, or arson of, damage of, theft from, or theft of, or misuse of, any State-owned personal property, buildings, or other real property or any assault upon or threats against any legislative officer named in G.S. 147-2(1), (2), or (3) or any executive officer named in G.S. 147-3(c). The Bureau also is authorized at the request of the Governor to conduct a background investigation on a person that the Governor plans to nominate for a position that must be confirmed by the General Assembly, the Senate, or the House of Representatives. The background investigation of the proposed nominee shall be limited to an investigation of the person's criminal record, educational background, employment record, records concerning the listing and payment of taxes, and credit record, and to a requirement that the person provide the information contained in the

statements of economic interest required to be filed by persons subject to Executive Order Number 1, filed on January 31, 1985, as contained on pages 1405 through 1419 of the 1985 Session Laws (First Session, 1985).. The Governor must give the person being investigated written notice that he intends to request a background investigation at least 10 days prior to the date that he requests the State Bureau of Investigation to conduct the background investigation. The written notice shall be sent by regular mail, and there is created a rebuttable presumption that the person received the notice if the Governor has a copy of the notice.

All records and evidence collected and compiled by the Director of the Bureau and his assistants shall not be considered public records within the meaning of G.S. 132-1, and following, of the General Statutes of North Carolina and may be made available to the public only upon an order of a court of competent jurisdiction. Provided that all records and evidence collected and compiled by the Director of the Bureau and his assistants shall, upon request, be made available to the district attorney of any district if the same concerns persons or investigations in his district.

In all cases where the cost is assessed against the defendant and paid by him, there shall be assessed in the bill of cost, mileage and witness fees to the Director and any of his assistants who are witnesses in cases arising in courts of this State. The fees so assessed, charged and collected shall be forwarded by the clerks of the court to the Treasurer of the State of North Carolina, and there credited to the Bureau of Identification and Investigation Fund."

Sec. 4. Chapter 147 of the General Statutes is amended by adding a new section to read:

"*§ 147-16.3. Timely nominations if legislative body must confirm.*-- Notwithstanding any other provision of law, whenever:

(1) a statute specifies that an office shall be filled by nomination by the Governor and confirmation by the General Assembly or by one house thereof, and

(2) the statute specifies that the nominee shall take office without legislative action if the General Assembly adjourns without action being taken or fails to take action within a specified time, and

(3) the Governor fails to nominate a person for the office by May 15 of a regular session of the General Assembly during an odd-numbered year or by June 7 of a regular session of the General Assembly during an even-numbered year, and

(4) the appropriate legislative body does not act on the nomination before it next adjourns for more than 10 days or sine die,

the nominee shall serve only on an interim basis until 60 days after the convening of the next regular session of the General Assembly, subject to rejection or approval by the appropriate legislative body before that time."

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 911 **CHAPTER 868**

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the Speaker of the House of Representatives; and

Whereas, the Speaker of the House of Representatives has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Joe H. Palmer of Haywood County is appointed to the North Carolina Board of Transportation for a term to expire on June 30, 1989.

Sec. 2. Ms. Annette Bryant of McDowell County and Douglas Copeland of Guilford County are appointed to the North Carolina Board of Public Telecommunications Commissioners for terms to expire on June 30, 1989.

Sec. 3. Wiley P. Wooten of Alamance County is appointed to the State Fire Commission for a term to begin on October 1, 1987, and to expire on September 30, 1989.

Sec. 4. J. Thomas Sutton of Lenoir County is appointed to the Public Officers and Employees Liability Insurance Commission for a term to expire on June 30, 1989.

Sec. 5. Charlie Carpenter of Harnett County is appointed to the North Carolina Board of Science and Technology for a term to expire on June 30, 1989.

Sec. 5.1. Ben H. Battle of Jackson County and Sam L. Beam of Gaston County are appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for terms expiring June 30, 1989.

Sec. 6. Dennis T. Worley of Columbus County is appointed to the North Carolina Criminal Justice Education and Training Standards Commission for a term to expire on June 30, 1989.

Sec. 7. Clarence E. Leatherman of Lincoln County is appointed to the Property Tax Commission for a term to expire on June 30, 1989.

Sec. 8. Donald Allen Thompson of Montgomery County is appointed to the Wildlife Resources Commission for a term to expire June 30, 1989.

Sec. 9. Douglas C. Forrest of Jackson County is appointed to the Committee on Art in State Buildings for a term to expire on June 30, 1989.

Sec. 10. C. Spears Alexander of Watauga County is appointed to the Governor's Advocacy Council for Persons with Disabilities for a term to expire on June 30, 1989.

Sec. 11. Arnold Locklear of Robeson County is appointed to the Commission of Indian Affairs for a term to expire on June 30, 1989.

Sec. 12. Adam Bartlett, Jr., of Buncombe County is appointed to the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan for a term to expire on June 30, 1989.

Sec. 13. Mack Reid Hudson of Harnett County is appointed to the North Carolina Agriculture Facilities Finance Agency for a term to expire June 30, 1989.

Sec. 14. Sneed High of Cumberland County and Frank B. Holding of Johnston County are appointed to the North Carolina State Ports Authority for terms to expire on June 30, 1989.

Sec. 15. Michael E. Ferguson of Haywood County is appointed to the Board of Directors of the North Carolina Housing Finance Agency for a term to expire on June 30, 1989. This is the categorical appointment for a licensed realtor representative. Jimmy L. Moore of Jackson County and Hilliard Caldwell of Orange County are each appointed to the Board of Directors of the North Carolina Housing Finance Agency for terms to expire on June 30, 1989. These are the two appointments without statutory requirement for special qualifications. William W. Whittington of Lenoir County is appointed to the Board of Directors of the North Carolina Housing Finance Agency for a term to expire on June 30, 1989. This is the categorical appointment for a mortgage servicing representative.

Sec. 16. David Wyatt of Madison County and James H. Randolph, III, of Harnett County are appointed to the Board of Trustees of the North Carolina School of Science and Mathematics for a term to expire on June 30, 1989.

Sec. 17. Mrs. Lois Queen of Haywood County is appointed to the Child Day Care Commission for a term to expire on June 30,

1989. This appointment is the one affiliated with a nonprofit day care facility or plan. Bob Eagle of Mecklenburg County is appointed to the Child Day Care Commission for a term to expire on June 30, 1989. This appointment is the one affiliated with a for profit day care facility or plan.

Sec. 18. Dr. Philip L. Martin of Wake County is appointed to the North Carolina Medical Database Commission for a term to expire on June 30, 1990. This is the physician categorical appointment. Walter B. Clark of Cumberland County is appointed to the North Carolina Medical Database Commission for a term to expire on June 30, 1990. This is the categorical appointment for a representative of a commercial insurance company providing health insurance in North Carolina.

Sec. 19. Dr. William Carlisle of Mecklenburg County is appointed to the North Carolina Board of Chiropractic Examiners for a term to expire on June 30, 1989.

Sec. 20. Ms. Mona Moore of Buncombe County is appointed to the Board of Trustees of The University of North Carolina Center for Public Television for a term that expires June 30, 1989.

Sec. 21. Clifton H. Moore of Currituck County is appointed to the State Farm Operations Commission for a term to expire on June 30, 1989.

Sec. 22. William W. Eskridge of Nash County is appointed to the Board of Trustees of the Teachers' and State Employees' Retirement System for a term to expire on June 30, 1989.

Sec. 23. Dr. William T. Bird of Haywood County and Dr. James Dooley of Jackson County are appointed to the North Carolina Technological Development Authority for terms expiring June 30, 1989.

Sec. 24. Dr. Joseph Robert Nesbitt of Buncombe County is appointed to the North Carolina Veterinary Medical Board for a term to expire on June 30, 1992.

Sec. 25. Dr. Edward J. Kesgen of Jackson County is appointed to the State Board of Therapeutic Recreation Certification for a term to commence immediately and to expire on June 29, 1990. This is the categorical appointment for a practicing therapeutic recreation specialist. Ms. Pauletta Gaither of Wake County is appointed to the State Board of Therapeutic Recreation Certification for a term to commence immediately and to expire on June 29, 1989. This is the public member categorical appointment.

Sec. 26. Bob R. Moye of Pitt County is appointed to the Private Protective Services Board for a term to expire on June 30, 1990.

Sec. 27. Robert Williams of Dare County is appointed to the North Carolina Seafood Industrial Park Authority for a term to expire on June 30, 1989.

Sec. 28. Mrs. Betty E. Adams of Wake County is appointed to the Board of Trustees of the North Carolina Museum of Art for a term to expire on June 30, 1989.

Sec. 29. Dr. Garrett A. Smathers of Haywood County and Charles Pinkney Francis of Haywood County are appointed to the Environmental Management Commission for terms expiring June 30, 1989.

Sec. 30. John Hunter of Forsyth County is appointed to the North Carolina Milk Commission for a term to expire on June 30, 1989. This is the categorical appointment for a proprietary processor position.

Sec. 31. William W. Dow, M.D., of Chatham County is appointed to the Governor's Waste Management Board for a term to expire on June 30, 1989.

Sec. 32. Ben W. Aiken of Wake County and Ms. Jane Latham of Craven County are appointed to the Commission for Mental Health, Mental Retardation and Substance Abuse Services for terms to expire on June 30, 1989.

Sec. 33. G. Stanton Taylor of Wake County is appointed to the North Carolina Manufactured Housing Board for a term to expire on September 30, 1988. This is a categorical appointment for a representative of the insurance industry. Ken Johnson of Mecklenburg County is appointed to the North Carolina Manufactured Housing Board for a term to expire on September 30, 1988. This is the categorical appointment for a representative of the banking and finance industry.

Sec. 34. E. Y. Ponder of Madison County is appointed to the North Carolina Sheriffs' Education and Training Standards Commission for a term to begin on September 1, 1987, and to expire on August 31, 1989.

Sec. 35. Mrs. Mary Battle of Mecklenburg County is appointed to the State Board of Cosmetic Art Examiners for a term to begin on July 1, 1987, and to expire on June 30, 1989.

Sec. 36. Ulyless Clough of Tyrrell County and M. Wayne Miller of Wake County are appointed to the Northeastern North Carolina Farmers Market Commission for terms to expire on June 30, 1988. Mr. Clough will replace Hobart Trusdale and Mr. Miller will replace Frank Bordeaux.

Sec. 37. John A. Williams of Wake County, Young H. Allen of Lenoir County, Kathleen R. Crosby of Mecklenburg County, Morris L. McGough of Buncombe County and Roy D. Trest of Brunswick

County are appointed to the Commission on School Facility Needs for terms to expire on July 1, 1991. Mr. Williams will serve as Cochairman.

Sec. 38. John R. Griffin, Jr., of Wake County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire June 30, 1989. This is the categorical appointment for a domestic health care insurer licensed pursuant to Chapter 57 of the General Statutes. Dr. Allison Ramsey of Nash County is appointed to the N.C. Health Insurance Trust Commission for a term to expire on June 30, 1988. This is the categorical appointment for a physician licensed to practice medicine in North Carolina. Ms. Shannon Brown of Harnett County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire on June 30, 1988. This is the public member appointment. Dr. Barbara Kitchell of Wake County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire on June 30, 1990. This is the categorical appointment for a representative of small business employers eligible to participate in the program.

Sec. 39. Ed Harrington of Guilford County is appointed to the North Carolina Housing Partnership for a term to begin on September 1, 1987, and to expire on August 31, 1990. This is the categorical appointment for a representative of the real estate lending industry. Ms. Pat Garrett of Macon County is appointed to the North Carolina Housing Partnership for a term to begin on September 1, 1987, and to expire on August 31, 1990. This is the categorical appointment for a representative of a nonprofit housing development corporation. Joseph W. Barber, III, of Wake County and Mrs. Patsy Z. Whitaker of Cumberland County are appointed to the North Carolina Housing Partnership for terms to begin on September 1, 1987, and to expire on August 31, 1990. These are the public member appointments. Mrs. Virgie McKiver of Bladen County is appointed to the North Carolina Housing Partnership for a term to begin September 1, 1987, and to expire on August 31, 1990. This is the categorical appointment for a resident of low-income housing.

Sec. 40. Dudley Robbins of Pender County, Billy Ray Cameron of Lee County, Zebulon D. Alley of Haywood County, John Thompson of Durham County, and K. P. Johnson of Cumberland County are appointed to the Veterans' Memorial Commission within the N. C. Department of Cultural Resources. They will serve for the Life of the Commission.

Sec. 41. Hugh A. Lee of Richmond County is appointed to the North Carolina Agricultural Finance Authority for a term to expire June 30, 1989. He will replace Rhone Sasser, who has resigned.

Sec. 42. Raymond L. Murray of Wake County, Joseph W. Pitt of Edgecombe County, G. Gordon Greenwood of Buncombe County, David Felmet of Haywood County, and Dr. Ken Brownell of McDowell County are appointed to the North Carolina Low-Level Radioactive Waste Management Authority. Mr. Murray's term will expire on June 30, 1993, Mr. Pitt's term will expire on June 30, 1992, Mr. Felmet's term will expire on June 30, 1990, and Messrs. Greenwood and Brownell's terms will expire on June 30, 1991.

Sec. 43. A. A. Adams of Pitt County is appointed to the Crime Victims Compensation Commission for a term to expire on June 30, 1991.

Sec. 44. Unless otherwise specified, all appointments made by this act are for terms to begin upon ratification of this act.

Sec. 45. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1158 **CHAPTER 869**

AN ACT TO AUTHORIZE AUTOMOBILE INSURANCE RATE DISCOUNTS FOR PERSONS WHO ARE 55 YEARS OF AGE OR OLDER; TO FACILITATE RECOVERY OF LOSSES OF THE MOTOR VEHICLE REINSURANCE FACILITY; TO REVISE AND IMPROVE THE SUBCLASSIFICATION PLAN FOR NONFLEET PRIVATE PASSENGER AUTOMOBILE INSURANCE; AND TO REQUIRE PROOF OF FINANCIAL RESPONSIBILITY UPON APPLICATIONS FOR DRIVERS' LICENSES AND LIMITED DRIVING PRIVILEGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-124.23 is amended by adding the following:

"(d) Notwithstanding any other provision of law prohibiting insurance rate differentials based on age, with respect to nonfleet private passenger motor vehicle insurance under the jurisdiction of the Bureau, any member of the Bureau may apply for and use in this State, subject to the Commissioner's approval, a downward deviation in the rates for insureds who are 55 years of age or older."

Sec. 2. Article 25A of General Statute Chapter 58 is amended by adding the following section:

"§ *58-248.41. Modification of nonfleet private passenger motor vehicle insurance recoupment.*--(a) During the period beginning on July 1, 1988, through June 30, 1989, eighty percent (80%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and

twenty percent (20%) shall be allocated among all policies.

(b) During the period beginning on July 1, 1989, through June 30, 1990, sixty percent (60%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and forty percent (40%) shall be allocated among all policies.

(c) During the period beginning on July 1, 1990, through June 30, 1991, forty percent (40%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and sixty percent (60%) shall be allocated among all policies.

(d) During the period beginning on July 1, 1991, through June 30, 1992, twenty percent (20%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and eighty percent (80%) shall be allocated among all policies.

(e) Beginning on July 1, 1992, the Facility's losses shall be allocated among all policies.

(f) Recoupment and allocation of Facility losses under this section shall be made during the periods specified for the purpose of equitably distributing assessments made on member companies as a result of Facility losses. The recoupment and allocation of such losses shall not be considered as the collection or imposition of rates or premiums for any purposes.

(g) This section applies only to losses from, recoupment on, and allocation among nonfleet private passenger motor vehicle insurance policies. This section does not in any way affect the procedures for recouping losses from other motor vehicle insurance policies reinsured by the Facility."

Sec. 3. G.S. 58-248.33(g)(8) is amended by inserting after "G.S. 58-248.34(f)" the following: "or which cannot be recouped or allocated under G.S. 58-248.41,".

Sec. 4. G.S. 58-248.33(l) is amended:

(1) In the third sentence by substituting "58-124.31" for "58-30.4"; and

(2) In the twelfth sentence by inserting immediately after "58-248.34(f)" the following: "or allocated pursuant to G.S. 58-248.41".

Sec. 5. G.S. 58-248.34(f) is amended:

(1) In the first sentence by substituting "a" for "an identifiable";

(2) In the third sentence by substituting "58-124.31" for "58-30.4"; and

(3) In the third sentence by inserting immediately after "said plan" the following: ", subject to the provisions of G.S. 58-124.33".

Sec. 6. Article 12B of General Statute Chapter 58 is amended by adding a new section to read:

"*§ 58-124.33. At-fault accidents and certain moving traffic violations*

under the Safe Driver Incentive Plan.--(a) The subclassification plan promulgated pursuant to G.S. 58-124.31(b) may provide for separate surcharges for major, intermediate, and minor accidents. A 'major accident' is an at-fault accident that results in either (i) bodily injury or death or (ii) only property damage of two thousand dollars ($2,000) or more. An 'intermediate accident' is an at-fault accident that results in only property damage of more than one thousand dollars ($1,000) but less than two thousand dollars ($2,000). A 'minor accident' is an at-fault accident that results in only property damage of one thousand dollars ($1,000) or less. The subclassification plan may also exempt certain minor accidents from the Facility recoupment surcharge.

(b) The subclassification plan promulgated pursuant to G.S. 58-124.31(b) shall provide that with respect to a conviction for any moving traffic violation that is not listed in subsection (c) of this section, there shall be no Motor Vehicle Reinsurance Facility recoupment surcharge pursuant to G.S. 58-248.34(f) unless (i) the vehicle owner, principal operator, or any licensed operator in the owner's household has a driving record consisting of one or more convictions for a moving traffic violation, other than the conviction for the exempt violation, or one or more at-fault accidents during the three-year period immediately preceding the date of the application for a policy or the date of the preparation of the renewal of a policy, or (ii) the moving traffic violation for which the operator has been convicted occurred at the time of an accident for which he was at fault. Nothing in this section affects any provisions in the subclassification plan for premium surcharges for moving traffic violations or at-fault accidents.

(c) The subclassification plan promulgated pursuant to G.S. 58-124.31(b) shall provide for facility recoupment surcharges pursuant to G.S. 58-248.34(f) and G.S. 58-248.41, in addition to premium surcharges, for convictions for the following moving traffic violations:

General Statute	Description of Offense
20-12.1	Being impaired while accompanying a permittee who is learning to drive
20-28	Driving while license is suspended or revoked
20-138.1	Driving a vehicle while impaired
20-138.3	Driving by provisional licensee after consuming alcohol or drugs
20-140(a)	Driving carelessly and heedlessly in willful or wanton disregard of the rights of others

20-140(b)	Driving without due caution in a manner so as to endanger other people or property
20-141(a)	Only driving at least 11 miles per hour over the posted speed limit or driving in excess of the speed limit established by the State Department of Transportation under G.S. 20-141(d)(2)
20-141(j)	Driving in excess of 55 mph and at least 15 mph over legal limit, while fleeing or attempting to elude arrest by a law enforcement officer
20-141(j1)	Driving more than 15 mph over legal limit
20-141.1	Speeding in a school zone
20-141.3(a)	Engaging in prearranged speed competition with another motor vehicle
20-141.3(b)	Willfully engaging in speed competition with another motor vehicle (not prearranged)
20-141.3(c)	Allowing or authorizing others to use one's motor vehicle in prearranged speed competition or placing or receiving a bet or wager on a prearranged speed competition
20-141.4(a1)	Death by vehicle (unintentionally causing death of another while engaged in impaired driving)
20-141.4(a2)	Death by vehicle (unintentionally causing death of another as a result of a violation of motor vehicle law intended to regulate traffic or used to control operation of a vehicle)
20-166(a)	Failure to stop by driver who knew or should have known he was involved in accident and that accident caused death or injury to any person
20-166(c)	Failure of driver involved in accident causing property damage or personal injury or death (if driver did not know of injury or death) to stop at scene of accident
20-175.2	Failure to yield right-of-way to blind person at crossings, intersections, and traffic control signal points

20-217	Failure to stop and remain stopped when approaching a stopped school bus engaged in receiving or discharging passengers and while bus has mechanical stop signal displayed
14-18	Voluntary manslaughter
14-18	Involuntary manslaughter

(d) There shall be no Facility recoupment surcharge under G.S. 58-248.34(f) for accidents or conviction for speeding violations occurring when operating a firefighting, rescue squad, or law enforcement vehicle in response to an emergency if the operator of the vehicle at the time of the accident or speeding violation was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident or speeding violation occurring after the vehicle ceases to be used in response to such emergency.

(e) There shall be no Facility recoupment surcharge under G.S. 58-248.34(f) for any accident involving only damage to the operator's vehicle or to the property of another for which full payment or compensation has been made by the operator at fault; and when the motor vehicle insurer of the operator has not made any payment under any kind of insurance policy for such property damage to or on behalf of such operator. Notwithstanding the provision of this subsection, an insured still has a duty to report such accident to his insurer and to law enforcement authorities if such duty is required by the insurance contract or by law.

(f) The subclassification plan shall provide that with respect to a conviction for a 'violation of speeding 10 miles per hour or less over the speed limit' there shall be no premium surcharge nor any assessment of points unless there is a driving record consisting of a conviction or convictions for a moving traffic violation or violations, except for a prayer for judgment continued for any moving traffic violation, during the three years immediately preceding the date of application or the preparation of the renewal. The subclassification plan shall also provide that with respect to a prayer for judgment continued for any moving traffic violation, there shall be no premium surcharge nor any assessment of points unless the vehicle owner, principal operator, or any licensed operator in the owner's household has a driving record consisting of a prayer or prayers for judgment continued for any moving traffic violation or violations during the three years immediately preceding the date of application or the preparation of the renewal. For the purpose of this subsection, a 'prayer for judgment continued' means a determination of guilt by a

jury or a court though no sentence has been imposed. For the purpose of this subsection, a 'violation of speeding 10 miles per hour or less over the speed limit' does not include the offense of speeding in a school zone in excess of the posted school zone speed limit nor any offense of speeding in excess of 65 miles per hour.

(f1) The subclassification plan shall provide that in the event an insured is at fault in an accident and is convicted of a moving traffic violation in connection with the accident, only the higher plan premium surcharge between the accident and the conviction shall be assessed on the policy.

(g) As used in this section 'conviction' means a conviction as defined in G.S. 20-279.1 and means an infraction as defined in G.S. 14-3.1."

Sec. 7. G.S. 58-30.4 is repealed.

Sec. 8. G.S. 58-30.5 is repealed.

Sec. 9. G.S. 58-124.31 is amended:

(1) By adding the following subsections:

"(h) If an insured disputes his insurer's determination that the operator of an insured vehicle was at fault in an accident, such dispute shall be resolved pursuant to G.S. 58-124.17(2), unless there has been an adjudication or admission of negligence of such operator.

(i) As used in this section, 'conviction' means a conviction as defined in G.S. 20-279.1 and means an infraction as defined in G.S. 14-3.1.

(j) Subclassification plan surcharges shall be applied to a policy for a period of not less nor more than three policy years.

(k) The subclassification plan may provide for premium surcharges for insureds having less than three years' driving experience as licensed drivers.

(l) Except as provided in G.S. 58-124.23(d), no classification or subclassification plan for nonfleet private passenger motor vehicle insurance shall be based, in whole or in part, directly or indirectly, upon the age or gender of insureds."; and

(2) By amending the first sentence of subsection (b) by substituting "at-fault" for "chargeable".

Sec. 10. G.S. 20-7 is amended by adding the following subsection:

"(c1) In addition to the other requirements of this section, no person shall be issued a driver's license until such person has furnished proof that he is financially responsible. Proof of financial responsibility shall be in the form of a written certificate of any insurance carrier duly authorized to do business in this State certifying that there is in effect a nonfleet private passenger motor vehicle

liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall state that the policy is in effect on the date of the issuance of the driver's license but shall not in and of itself constitute a binder or policy of insurance.

The preceding provisions of this subsection do not apply to applicants who do not own motor vehicles and who do not operate nonfleet private passenger motor vehicles that are owned by other persons and who do not reside in a household wherein any other household member owns a motor vehicle. In such cases, the applicant shall sign a written certificate to that effect. Such certificate shall be furnished by the Division and may be incorporated into the license application form. Any material misrepresentation made by such person on such certificate shall be grounds for suspension of that person's license for a period of 90 days.

For the purpose of this subsection, the term 'nonfleet private passenger motor vehicle' has the definition ascribed to it in Article 13C of General Statute Chapter 58.

The Commissioner may require that certificates required by this subsection be on a form approved by the Commissioner.

Nothing in this subsection precludes any person from showing proof of financial responsibility in any other manner authorized by Articles 9A and 13 of this Chapter."

Sec. 11. G.S. 20-7(f) is amended by adding the following paragraphs:

"Provided further, that no person who applies for the renewal of his driver's license and who must take the written examination pursuant to this section shall be issued a renewed license unless such person has furnished proof that he is financially responsible. Proof of financial responsibility shall be in the form of a written certificate of any insurance carrier duly authorized to do business in this State certifying that there is in effect a nonfleet private passenger motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall state that the policy is in effect on the date of the renewal of the driver's license but shall not in and of itself constitute a binder or policy of insurance.

The provisions of the preceding paragraph do not apply to applicants who do not own motor vehicles and who do not operate nonfleet private passenger motor vehicles that are owned by other persons and who do not reside in a household wherein any other household member owns a motor vehicle. In such cases, the applicant shall sign a written certificate to that effect. Such certificate shall be furnished by the Division and may be incorporated into the license application

form. Any material misrepresentation made by such person on such certificate shall be grounds for suspension of that person's license for a period of 90 days.

For the purpose of this subsection, the term 'nonfleet private passenger motor vehicle' has the definition ascribed to it in Article 13C of General Statute Chapter 58.

The Commissioner may require that certificates required by this subsection be on a form approved by the Commissioner.

Nothing in this subsection precludes any person from showing proof of financial responsibility in any other manner authorized by Articles 9A and 13 of this Chapter."

Sec. 12. G.S. 20-13.2 and G.S. 20-19 are each amended by respectively adding new subsections (e) and (k) to read:

"Before the Division restores a driver's license that has been suspended or revoked under any provision of this Article, the person seeking to have his driver's license restored shall submit to the Division proof that he has notified his insurance agent or company of his seeking the restoration and that he is financially responsible. Proof of financial responsibility shall be in the form of a written certificate of any insurance carrier duly authorized to do business in this State certifying that there is in effect a nonfleet private passenger motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall state that the policy is in effect on the date of the restoration of the driver's license but shall not in and of itself constitute a binder or policy of insurance.

The preceding provisions of this subsection do not apply to applicants who do not own motor vehicles and who do not operate nonfleet private passenger motor vehicles that are owned by other persons and who do not reside in a household wherein any other household member owns a motor vehicle. In such cases, the applicant shall sign a written certificate to that effect. Such certificate shall be furnished by the Division and may be incorporated into the license application form. Any material misrepresentation made by such person on such certificate shall be grounds for suspension of that person's license for a period of 90 days.

For the purposes of this subsection, the term 'nonfleet private passenger motor vehicle' has the definition ascribed to it in Article 13C of General Statute Chapter 58.

The Commissioner may require that certificates required by this subsection be on a form approved by the Commissioner. The financial responsibility required by this subsection shall be kept in effect for not less than three years after the date that the license is restored. Failure to maintain financial responsibility as required by

this subsection shall be grounds for suspending the restored driver's license for a period of thirty (30) days. Nothing in this subsection precludes any person from showing proof of financial responsibility in any other manner authorized by Articles 9A and 13 of this Chapter."

Sec. 13. G.S. 20-16.1 and G.S. 20-179.3 are each amended by respectively adding new subsections (g) and (l) to read:

"Any judge granting limited driving privileges under this section shall, prior to granting such privileges, be furnished proof and be satisfied that the person being granted such privileges is financially responsible. Proof of financial responsibility shall be in the form of a written certificate of any insurance carrier duly authorized to do business in this State certifying that there is in effect a nonfleet private passenger motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall state that the policy is in effect on the date such privileges are granted but shall not in and of itself constitute a binder or policy of insurance.

The preceding provisions of this subsection do not apply to applicants who do not own motor vehicles and who do not operate nonfleet private passenger motor vehicles that are owned by other persons and who do not reside in a household wherein any other household member owns a motor vehicle. In such cases, the applicant shall sign a written certificate to that effect. Such certificate shall be furnished by the Division. Any material misrepresentation made by such person on such certificate shall be grounds for suspension of that person's license for a period of 90 days.

For the purpose of this subsection 'nonfleet private passenger motor vehicle' has the definition ascribed to it in Article 13C of General Statute Chapter 58.

The Commissioner may require that certificates required by this subsection be on a form approved by the Commissioner. Such granting of limited driving privileges shall be conditioned upon the maintenance of such financial responsibility during the period of the limited driving privilege. Nothing in this subsection precludes any person from showing proof of financial responsibility in any other manner authorized by Articles 9A and 13 of this Chapter."

Sec. 14. G.S. 20-13(e) and G.S. 20-16.1(f) are repealed.

Sec. 15. G.S. 58-248.33(g)(6) is amended by rewriting the second paragraph to read:

"With respect to business produced by designated agents, adequate provision shall be made by the Facility to assure that such business is rated using Facility rates. All business produced by designated agents may be ceded to the Facility, except designated agents appointed prior to September 1, 1987, may place liability insurance policies with a

voluntary carrier, provided that all policies written by the voluntary carrier are retained by the voluntary carrier unless ceded to the Facility using Facility rates. Designated agents must provide the Facility with a list of such policies written by the voluntary carrier at least annually, or as requested by the Facility, on a form approved by the Facility. If no insurer is willing to contract with any such agent on terms acceptable to the Board, the Facility shall license such agent to write directly on behalf of the Facility. However, for this purpose the Facility does not act as an insurer, but acts only as the statutory agent of all of the members of the Facility, which shall be bound on risks written by the Facility's appointed agent. The Facility may contract with one or more servicing carriers and shall promulgate fair and reasonable underwriting procedures to require that business produced by Facility agents and written through said servicing carriers shall be rated using Facility rates. All business produced by Facility agents may be ceded to the Facility."

Sec. 16. G.S. 20-26 is amended by adding two new subsections to read:

"(e) In the event of a mistake on the part of any person in ordering license records under subsection (c) of this section, the Commissioner may refund or credit to that person up to sixty-five percent (65%) of the amount paid for the license records.

(f) On and after July 1, 1988, the Division shall expeditiously furnish to insurance agents, insurance companies, and to insurance support organizations as defined in G.S. 58-383(12), for the purpose of rating nonfleet private passenger motor vehicle insurance policies, through electronic data processing means or otherwise, copies of or information pertaining to license records that are required to be kept pursuant to subsection (a) of this section."

Sec. 17. The North Carolina Rate Bureau shall file in accordance with G.S. 58-124.31, a revised subclassification plan to reflect the provisions of this act. The Bureau shall make the filing no later than February 1, 1988, and such plan shall become effective six months after the date the plan is approved by the Commissioner. Such revised plan shall apply only to new and renewal nonfleet private passenger motor vehicle insurance policies written on and after the effective date of the plan. With respect to any moving traffic violations that occur before the effective date of the plan, the surcharge levied under G.S. 58-248.34(f) shall be determined by the revised subclassification plan. With respect to at fault accidents that occur before the effective date of the plan, the premium surcharges under the plan shall be determined by the subclassification plan in effect at

the time such at fault accidents occur.

Sec. 18. Any adjustments in rates for nonfleet private passenger motor vehicle insurance that are necessary to offset any change in premium level due to the implementation of the provisions of this act shall be made through adjustments in the base rates for the affected coverages. Such adjustments shall be filed by the Bureau with the Commissioner in accordance with Articles 12B and 25A of General Statute Chapter 58.

Sec. 19. In the event any provision of this act is held to be invalid by any court of competent jurisdiction, the court's holding as to that provision shall not affect the validity or operation of other provisions of this act; and to that end the provisions of this act are severable.

Sec. 20. Sections 4(1), 5(2), 5(3), 6, 7, 8, and 9 of this act shall become effective six months after the date the revised subclassification plan is approved by the Commissioner of Insurance as provided in Section 17 of this act. Sections 10 through 14 of this act shall become effective January 1, 1988. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 643 **CHAPTER 870**

AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE PRESIDENT OF THE SENATE.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the President of the Senate; and

Whereas, the President of the Senate has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Mitch Gurganus of Pitt County is appointed to the North Carolina Agriculture Facilities Finance Agency for a term to expire June 30, 1989.

Sec. 2. Nancy Crutchfield of Mecklenburg County is appointed to the Board of Trustees of the North Carolina Museum of Art for a term to expire June 30, 1989.

Sec. 3. Sarah Hodgkins of Moore County is appointed to the Committee on Art in State Buildings for a term to expire June 30, 1989.

Sec. 4. Bill Adams of Mecklenburg County is appointed to the State Banking Commission for a term to expire April 1, 1991.

Sec. 5. Linda Willey of Dare County is appointed to the Child Day Care Commission for a term to expire June 30, 1989. This appointment is for a member of the public who is not employed in or providing day care and who has no financial interest in a day care facility or plan. Carol Spruill of Wake County is appointed to the Child Day Care Commission for a term to expire June 30, 1989. This appointment is for a member of the public who is not employed in or providing day care and who has no financial interest in a day care facility or plan, and who is the parent of a child receiving day care services.

Sec. 6. Lillian Snipes of Wake County is appointed to the State Board of Cosmetic Art Examiners for a term to expire June 30, 1989.

Sec. 7. Mark D. Donaldson of Chatham County is appointed to the Crime Victims Compensation Commission for a term to expire June 30, 1991.

Sec. 8. Doug Parsons of Sampson County is appointed to the North Carolina Criminal Justice Education and Training Standards Commission for a term to expire June 30, 1989.

Sec. 9. Carson Bain of Guilford County is appointed to the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan for a term to expire June 30, 1989.

Sec. 10. Marian Grant of Wake County is appointed to the Governor's Advocacy Council for Persons with Disabilities for a term to expire June 30, 1989.

Sec. 11. Senator Marvin Ward of Forsyth County is appointed to the Education Commission of the States for a term to expire June 30, 1989.

Sec. 12. A. R. "Tony" Combs of Mecklenburg County and Larry Fitzpatrick of Onslow County are appointed to the Environmental Management Commission for terms to expire June 30, 1989.

Sec. 13. Conley Mangum of Durham County is appointed to the State Farm Operations Commission for a term to expire June 30, 1989.

Sec. 14. Carroll Hemphill of McDowell County is appointed to the State Fire Commission for a term to expire June 30, 1989.

Sec. 15. George E. Carr, Jr., of Guilford County and William A. Jenkins of Wake County are appointed to the Board of Directors of the North Carolina Housing Finance Agency for terms to expire June 30, 1989. William G. White, Jr., of Forsyth County is appointed to the Board of Directors of the North Carolina Housing Finance Agency for a term to expire June 30, 1991, in the category of experienced

with a savings and loan institution.

Sec. 16. Larry Summer of Gaston County is appointed to the North Carolina Housing Partnership for a term beginning September 1, 1987, and expiring August 31, 1990, as a representative of the Homebuilding industry. Donald M. Saunders of Wake County is appointed to the North Carolina Housing Partnership for a term beginning September 1, 1987, and expiring August 31, 1990, as a low income housing advocate. Avant P. Coleman of Wilson County is appointed to the North Carolina Housing Partnership for a term beginning September 1, 1987, and expiring August 31, 1990, as a Representative of the League of Municipalities. W. E. Antone of Robeson County is appointed to the North Carolina Housing Partnership for a term beginning September 1, 1987, and expiring August 31, 1990, as a Public Member. Betty Chafin Rash of Mecklenburg County is appointed to the North Carolina Housing Partnership for a term beginning September 1, 1987, and expiring August 31, 1990, as a Public Member.

Sec. 17. James R. Lowry of Polk County is appointed to the North Carolina Commission on Indian Affairs for a term to expire June 30, 1989.

Sec. 18. Darrell D. Johnson of New Hanover County is appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for a term to expire July 1, 1989. Betty Eddleman of Cabarrus County is appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for a term to expire June 30, 1989.

Sec. 19. Robert L. Luddy of Wake County is appointed to the North Carolina Medical DataBase Commission for a term to expire June 30, 1990. This appointment is for an employer from a business with less than 200 employees.

Sec. 20. Charlie R. Harrell of Edgecombe County and Carlos L. Young of Cleveland County are appointed to the Commission for Mental Health, Mental Retardation and Substance Abuse Services for terms to expire June 30, 1989.

Sec. 21. Dr. Vila Rosenfeld of Pitt County is appointed to the North Carolina Milk Commission for a term to expire June 30, 1991.

Sec. 22. Carolyn McKecuen of Pasquotank County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire June 30, 1988, as a representative who shall represent the public and who is familiar with health insurance issues to serve as an advocate for low and moderate income employees. Thomas W. Swann of Guilford County is appointed to the North Carolina Health

Insurance Trust Commission for a term to expire June 30, 1989, as a Domestic health care insurer. Larry James Russell of Montgomery County is appointed to the North Carolina Health Insurance Trust Commission as a representative of the business community whose company provides health insurance. Dennis R. Barry of Guilford County is appointed to the North Carolina Health Insurance Trust Commission for a term to expire June 30, 1990, as a representative of an acute care hospital.

Sec. 23. James B. Ollis of Scotland County and J.A. "Avery" Roberts, Jr., of Vance County are appointed to the North Carolina State Ports Authority for terms to expire June 30, 1989.

Sec. 24. Jack Spencer of Alamance County is appointed to the Property Tax Commission for a term to expire June 30, 1991.

Sec. 25. Raymond A. Lichtner of Wake County is appointed to the Public Officers and Employees Liability Insurance Commission for a term to expire June 30, 1991.

Sec. 26. Nancy Roberts Stallings of Craven County and Dr. Raymond Pennington of Robeson County are appointed to the Board of Public Telecommunications Commissioners for terms to expire June 30, 1989.

Sec. 27. Carl J. Stewart of Gaston County is appointed to the Board of Trustees of the Teachers' and State Employees' Retirement System for a term to expire June 30, 1989.

Sec. 28. Margaret Tennille of Forsyth County is appointed to the School Facility Needs Commission for a term to expire July 1, 1991. She shall be cochairman. Bill Owens of Pasquotank County, Dr. Prezell Robinson of Wake County, Dr. Culver Dale of Haywood County, and L. Glenn Orr, Jr., of Robeson County are appointed to the School Facility Needs Commission for terms to expire July 1, 1991.

Sec. 29. Thomas E. Norman of Mecklenburg County is appointed to the Board of Trustees of the North Carolina School of Science and Mathematics for a term to expire June 30, 1989.

Sec. 30. Dr. Mary Dale Chilton of Wake County is appointed to the North Carolina Board of Science and Technology for a term to expire June 30, 1989.

Sec. 31. Gerald Wain Gaskill of Carteret County is appointed to the North Carolina Seafood Industrial Park Authority for a term to expire June 30, 1989.

Sec. 32. Paul R. McCrary of Davidson County is appointed to the North Carolina Sheriffs' Education and Training Standards Commission for a term to expire June 30, 1989.

Sec. 33. Wayne Miller of Wake County is appointed to the

Southeastern North Carolina Farmers Market Commission for a term to expire June 30, 1988, to fill the unexpired term of Dr. Frank Bordeaux.

Sec. 34. Tom Dillon of Union County is appointed to the North Carolina Technological Development Authority for a term to expire June 30, 1991. Donovan Phillips of Pitt County is appointed to the North Carolina Technological Development Authority for a term to expire June 30, 1991.

Sec. 35. Becky Stone of Alamance County is appointed to the North Carolina Therapeutic Recreation Certification Board for a term to expire June 29, 1989. This appointment is for the category of a practicing therapeutic recreation specialist. J. C. Harris of Iredell County is appointed to the North Carolina Therapeutic Recreation Certification Board for a term to expire June 29, 1988. This appointment is for the category of a public member.

Sec. 36. Marsha Van Hecke of Guilford County is appointed to the Board of Trustees of The University of North Carolina Center for Public Television for a term to expire June 30, 1989.

Sec. 37. James B. Garrison of Stanly County is appointed to the Board of Transportation for a term to expire June 30, 1989.

Sec. 38. William L. Lewis of Lee County is appointed to the Governor's Waste Management Board for a term to expire June 30, 1989.

Sec. 39. Albert L. Canipe of Mitchell County is appointed to the North Carolina Low-Level Radioactive Waste Management Authority for a term to expire June 30, 1990. Carolyn Allen of Guilford County and Donald G. Willhoit of Orange County are appointed to the North Carolina Low-Level Radioactive Waste Management Authority for terms to expire June 30, 1991. William B. Smalley of New Hanover County is appointed to the North Carolina Low-Level Radioactive Waste Management Authority for a term to expire June 30, 1992. Marcus B. Crotts of Forsyth County is appointed to the North Carolina Low-Level Radioactive Waste Management Authority for a term to expire June 30, 1993.

Sec. 40. Charles T. Carpenter, Jr., of Cleveland County, E. T. Townsend of New Hanover County, Fred T. Howell of Cabarrus County, Arthur Lee Ashburn, III of Randolph County, and John T. Bode of Wake County are appointed to the Veterans Memorial Commission, to serve for the life of the Commission.

Sec. 41. John Lentz of Richmond County is appointed to the Wildlife Resources Commission for a term to expire June 30, 1989.

Sec. 42. Unless otherwise specified, all appointments made by this act are for terms to begin upon ratification of this act.

Sec. 43. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 749 **CHAPTER 871**

AN ACT TO ESTABLISH A RECREATION AND NATURAL HERITAGE TRUST PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. Subchapter II of Chapter 113 of the General Statutes is amended by adding a new Article 5A as follows:

"Article 5A.

"Recreation and Natural Heritage Trust Program.

"§ *113-77.6. Definitions.*--As used in this Article:

(1) 'Appraised value' means the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the uses to which the property is adapted and for which it is capable of being used.

(2) 'Fund' means the Recreation and Natural Heritage Trust Fund created pursuant to this Article.

(3) 'Land' and 'lands' mean real property and any interest in, easement in, or restriction on real property;

(4) 'Secretary' means the Secretary of Natural Resources and Community Development;

(5) 'Trustees' means the trustees of the Recreation and Natural Heritage Trust Fund.

"§ *113-77.7. Recreation and Natural Heritage Trust Fund.*--(a) There is established a Recreation and Natural Heritage Trust Fund in the State Treasurer's office that shall be used to finance the Recreation and Natural Heritage Trust Program authorized by this Article.

(b) The State Treasurer shall hold the Fund separate and apart from all other moneys, funds, and accounts. Investment earnings credited to the assets of the Fund shall become part of the Fund. Any balance remaining in the Fund at the end of any fiscal year shall be carried forward in the Fund for the next succeeding fiscal year. Payments from the Fund shall be made on the warrant of the Chairman of the Board of Trustees.

(c) When the State acquires land pursuant to this Article, the Chairman of the Board of Trustees shall direct a request to the State Treasurer to set aside an amount from the Fund not to exceed twenty percent (20%) of the appraised value of the land acquired, or the land affected if less than a fee interest was acquired, to be placed in a

special stewardship account in the Fund. The special stewardship account shall be a nonlapsing account, and income derived from investment of the account shall be credited to the account. The special stewardship account shall be used for the management of land acquired pursuant to this Article, as directed by the Trustees, so long as such land remains in the Trust.

"§ *113-77.8. Recreation and Natural Heritage Trust Fund Board of Trustees.*--(a) Expenditures from the Fund shall be authorized by a nine-member Board of Trustees. Three members shall be appointed by the Governor, three by the Lieutenant Governor, and three by the Speaker of the House of Representatives. Persons appointed shall be knowledgeable in the acquisition and management of natural areas. Each appointing officer shall designate one of his initial appointments to serve a two-year term, one to serve a four-year term, and one to serve a six-year term. Thereafter, all appointments shall be for six years, subject to reappointment. All initial appointments shall be made on or before January 1, 1988. The Governor shall appoint one Trustee to serve as Chairman of the Board. The Secretary shall provide the Trustees with staff support and meeting facilities using expenditures from the Fund. The office of Trustee is declared to be an office that may be held concurrently with any other executive or appointive office, under the authority of Article VI, Sec. 9, of the North Carolina Constitution.

(b) The Trustees shall meet at least once each year and may hold special meetings at the call of the Chairman or a majority of the members.

(c) The Trustees shall receive the per diem allowed for other members of boards and commissions of the State as fixed in the Biennial Appropriations Act, and, in addition, the Trustees shall receive subsistence and travel expenses as fixed by statute for such purposes. Travel and subsistence expenses shall be allowed while going to or from any place of meeting or when on official business. Per diem payments shall include necessary time spent in traveling to and from their places of residence to any meeting place or while traveling on official business. Per diem, subsistence, and travel expenses of the Trustees shall be paid from the Fund.

"§ *113-77.9. Acquisition of lands from the Recreation and Natural Heritage Trust Fund.*--(a) From time to time, but at least once each year, the Secretary, the Chairman of the North Carolina Wildlife Resources Commission, and the Commissioner of Agriculture shall propose to the Trustees lands to be acquired from the Fund. For each tract or interest proposed, the Secretary, the Chairman of the North Carolina Wildlife Resources Commission, and the Commissioner of Agriculture shall provide the Trustees with the following information:

(1) the value of the land for recreation, forestry, fish and wildlife habitat, and wilderness purposes, and its consistency with the plan developed pursuant to the State Parks Act, the State's comprehensive plan for outdoor recreation, parks, natural areas development, and wildlife management goals and objectives;
(2) any rare or endangered species on or near the land;
(3) whether the land contains a relatively undisturbed and outstanding example of a native North Carolina ecological community that is now uncommon;
(4) whether the land contains a major river or tributary, watershed, wetland, significant littoral, estuarine, or aquatic site, or important geologic feature;
(5) the extent to which the land represents a type of landscape, natural feature, or natural area that is not currently in the State's inventory of parks and natural areas;
(6) other sources of funds that may be available to assist in acquiring the land;
(7) the State department or division that will be responsible for managing the land; and
(8) what assurances exist that the land will not be used for purposes other than those for which it is being acquired.

(b) The Trustees may authorize expenditures from the Fund to acquire land:

(1) that represents the ecological diversity of North Carolina, including natural features such as riverine, montane, coastal, and geologic systems and other natural areas to ensure their preservation and conservation for recreational, scientific, educational, cultural, and aesthetic purposes; and
(2) as additions to the system of parks, State trails, aesthetic forests, fish and wildlife management areas, wild and scenic rivers, and natural areas for the beneficial use and enjoyment of the public.

The Trustees may designate managers or managing agencies of the lands so acquired to receive grants from the Fund's stewardship account. In authorizing expenditures from the Fund to acquire land pursuant to this Article, the Trustees shall be guided by any priorities established by the Secretary, the Chairman of the Wildlife Resources Commission, and the Commissioner of Agriculture in their proposals made pursuant to subsection (a), above.

(c) The Trustees may authorize expenditures from the Fund to pay for the inventory of natural areas by the Secretary's Natural Heritage Program conducted pursuant to Chapter 113A, Article 9A, of the General Statutes.

(d) The Department of Administration may, pursuant to G.S. 143-341, acquire by purchase, gift, or devise all lands selected by the Trustees for acquisition pursuant to this Article. Title to any land acquired pursuant to this Article shall be vested in the State. State agencies with management responsibilities for lands acquired pursuant to this Article may enter into management agreements in the form of leases with counties, cities, and towns to aid in managing the lands, and such lease agreements shall be executed by the Department of Administration pursuant to G.S. 143-341.

(e) The Secretary shall maintain and annually revise a list of acquisitions made pursuant to this Article. The list shall include the acreage of each tract, the county in which the tract is located, the amount paid from the Fund to acquire the tract, and the State department or division responsible for managing the tract. The Secretary shall furnish a copy of the list to each Trustee and to each House of the General Assembly after each revision.

(f) No provision of this Article shall be construed to eliminate hunting and fishing, as regulated by the laws of the State of North Carolina, upon properties purchased pursuant to this Article."

Sec. 2. This act shall become effective September 1, 1987, and shall expire June 30, 1989.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

S.B. 1241 **CHAPTER 872**

AN ACT TO MODIFY THE CARRY-FORWARD AND OTHER PROVISIONS OF THE DISTILLERY TAX CREDIT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.27 is rewritten to read:

"§ *105-130.27. Credit against corporate income tax for construction of a fuel ethanol distillery.*--(a) Credit Allowed. Any corporation which constructs in North Carolina a distillery to make ethanol from agricultural or forestry products for qualified uses shall be allowed a credit against the tax imposed by this Division. Subject to the limitation provided in subsection (d) of this section, the amount of the credit shall be equal to twenty percent (20%) of the installation and construction costs of the distillery, and an additional ten percent (10%) of those costs if the distillery is to be powered by use of an alternative fuel source. No credit is allowed, however, for the costs of purchasing the land or site work, which includes rock, paving, and excavation. In order to secure the credit allowed by this section, the

taxpayer must own or control the facility at the time of construction, and payment for the installation and construction must be made by the taxpayer during the year preceding the year for which the credit is claimed. The amount of the credit allowed for any one taxable year shall be limited to twenty percent (20%) of the installation and construction costs paid during such year, or thirty percent (30%) if the distillery is to be powered by an alternative fuel source. Invoices or receipts shall be furnished to substantiate a claim or a credit under this section if requested by the Secretary of Revenue. The credit allowed by this section shall not exceed the amount of the tax imposed by this Division for the taxable year reduced by the sum of all credits allowable under this Division, except for payments of tax made by or on behalf of the taxpayer.

(b) Definitions. For purposes of this section:

(1) 'Alternative fuel source' includes agricultural and forestry products, waste petroleum products, and peat, but does not include other petroleum products, coal, or natural gas.

(2) 'Qualified uses' of the ethanol made by the distillery are limited to use as a fuel by motor vehicles or airplanes, use as a de-icer, and use in processes associated with the removal of pollutants from coal and other sources of fuel. More than eighty percent (80%) of the ethanol made by the distillery must be intended for qualified uses in order to be eligible for the credit allowed by this section.

(3) A 'distillery' includes only equipment associated with making, storing, and distributing ethanol and the related and necessary support facilities all of which are located and regularly used on the same premises.

(c) Application. The credit may not be taken for the year in which the payments for construction and installation are made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the payments were made. To be eligible for the credit, a taxpayer must file an application for the credit with the Secretary of Revenue on or before April 15 following the calendar year in which the payments were made. The application shall be on a form prescribed by the Secretary and shall include any supporting documentation the Secretary may require.

(d) Ceiling. The total amount of all tax credits allowed to taxpayers under this section for payments for construction and installation made in a calendar year may not exceed two million five hundred thousand dollars ($2,500,000). The Secretary of Revenue shall calculate the total amount of tax credits claimed from the

applications filed pursuant to subsection (c). If the total amount of tax credits claimed for payments made in a calendar year exceeds two million five hundred thousand dollars ($2,500,000), the Secretary shall allow a portion of the credits claimed by allocating the total allowable amount among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer. Provided, however, if the total amount of tax credits claimed under G.S. 105-151.6 for payments made in the calendar year is less than two million five hundred thousand dollars ($2,500,000), the Secretary shall allow an additional amount of credit under this subsection, allocated proportionally among applicants, until the total amount of all tax credits allowed equals five million dollars ($5,000,000). In no case may the total amount of all tax credits allowed under G.S. 105-151.6 and this section for payments made in a calendar year exceed five million dollars ($5,000,000).

If a credit claimed under this section is reduced as provided in this subsection, the Secretary shall notify the taxpayer of the amount of the reduction of the credit on or before December 31 of the year the taxpayer applied for the credit. The amount of the reduction of the credit may be carried forward and claimed for the next succeeding ten years if the taxpayer reapplies for a credit for the amount of the reduction, as provided in subsection (c). In such a reapplication, the payments for which a credit is claimed shall be considered as if they had been made in the year preceding the reapplication. The Secretary's allocations based on applications filed pursuant to subsection (c) are final and shall not be adjusted to account for credits applied for but not claimed.

(e) Carry-forward. The amount of the credit allowed under this section may be carried forward for the next succeeding ten taxable years.

(f) Special Corporations. If the corporation is a 'Special Corporation' as described by G.S. 105-130.13, the corporation may elect to pass-through the credit allowed by this section to its shareholders in the same manner in which a partnership passes credits through to its partners. If this election is made, the credit may not be claimed by the corporation. Once made, this election may not be revoked and it applies for all subsequent years.

(g) Expiration. This section applies only to costs incurred during taxable years beginning prior to January 1, 1993."

Sec. 2. G.S. 105-151.6 is rewritten to read:

"*§ 105-151.6. Credit against personal income tax for construction of a fuel ethanol distillery.*--(a) Credit Allowed. Any person who constructs in North Carolina a distillery to make ethanol from agricultural or forestry products for qualified uses shall be allowed a

credit against the tax imposed by this Division. Subject to the limitation provided in subsection (d) of this section, the amount of the credit shall be equal to twenty percent (20%) of the installation and construction costs of the distillery, and an additional ten percent (10%) of those costs if the distillery is to be powered by use of an alternative fuel source. No credit is allowed, however, for the costs of purchasing the land or site work, which includes rock, paving, and excavation. In order to secure the credit allowed by this section, the taxpayer must own or control the facility at the time of construction, and payment for the installation and construction must be made by the taxpayer during the year preceding the year for which the credit is claimed. The amount of the credit allowed for any one taxable year shall be limited to twenty percent (20%) of the installation and construction costs paid during such year, or thirty percent (30%) if the distillery is to be powered by an alternative fuel source. Invoices or receipts shall be furnished to substantiate a claim or a credit under this section if requested by the Secretary of Revenue. The credit allowed by this section shall not exceed the amount of the tax imposed by this Division for the taxable year reduced by the sum of all credits allowable under this Division, except for payments of tax made by or on behalf of the taxpayer.

(b) Definitions. For purposes of this section:

(1) 'Alternative fuel source' includes agricultural and forestry products, waste petroleum products, and peat, but does not include other petroleum products, coal, or natural gas.

(2) 'Qualified uses' of the ethanol made by the distillery are limited to use as a fuel by motor vehicles or airplanes, use as a de-icer, and use in processes associated with the removal of pollutants from coal and other sources of fuel. More than eighty percent (80%) of the ethanol made by the distiller must be intended for qualified uses in order to be eligible for the credit allowed by this section.

(3) A 'distillery' includes only equipment associated with making, storing, and distributing ethanol and the related and necessary support facilities all of which are located and regularly used on the same premises.

(c) Application. The credit may not be taken for the year in which the payments for construction and installation are made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the payments were made. To be eligible for the credit, a taxpayer must file an application for the credit with the Secretary of Revenue on or before April 15 following the calendar year in which the payments were made. The application

shall be on a form prescribed by the Secretary and shall include any supporting documentation the Secretary may require.

(d) Ceiling. The total amount of all tax credits allowed to taxpayers under this section for payments for construction and installation made in a calendar year may not exceed two million five hundred thousand dollars ($2,500,000). The Secretary of Revenue shall calculate the total amount of tax credits claimed from the applications filed pursuant to subsection (c). If the total amount of tax credits claimed for payments made in a calendar year exceeds two million five hundred thousand dollars ($2,500,000), the Secretary shall allow a portion of the credits claimed by allocating the total allowable amount among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer. Provided, however, if the total amount of tax credits claimed under G.S. 105-130.27 for payments made in the calendar year is less than two million five hundred thousand dollars ($2,500,000), the Secretary shall allow an additional amount of credit under this subsection, allocated proportionally among applicants, until the total amount of all tax credits allowed equals five million dollars ($5,000,000).

In no case may the total amount of all tax credits allowed under G.S. 105-130.27 and this section for payments made in a calendar year exceed five million dollars ($5,000,000).

If a credit claimed under this section is reduced as provided in this subsection, the Secretary shall notify the taxpayer of the amount of the reduction of the credit on or before December 31 of the year the taxpayer applied for the credit. The amount of the reduction of the credit may be carried forward and claimed for the next succeeding ten years if the taxpayer reapplies for a credit for the amount of the reduction, as provided in subsection (c). In such a reapplication, the payments for which a credit is claimed shall be considered as if they had been made in the year preceding the reapplication. The Secretary's allocations based on applications filed pursuant to subsection (c) are final and shall not be adjusted to account for credits applied for but not claimed.

(e) Carry-forward. The amount of the credit allowed under this section may be carried forward for the next succeeding ten taxable years.

(f) Special Corporations. The credit allowed under this section includes the credit passed through from a partnership and the credit passed through an electing special corporation as described in G.S. 105-130.27. The investment in the distillery made by the partnership or the special corporation will be considered to have been made by the

taxpayer for purposes of this section.

(g) Expiration. This section applies only to costs incurred during taxable years beginning prior to January 1, 1994."

Sec. 3. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1 **CHAPTER 873**

AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE AND CONTINUE VARIOUS COMMITTEES AND COMMISSIONS, TO MAKE APPROPRIATIONS THEREFOR, AND TO AMEND STATUTORY LAW.

The General Assembly of North Carolina enacts:

PART I. TITLE

Section 1. This act shall be known as "The Study Commissions and Committees Act of 1987."

*****

An outline of the provisions of the act follows this section. The outline shows the heading "-----CONTENTS/INDEX-----" and lists by general category the descriptive captions for the various sections and groups of sections that compile the act.

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This outline is designed for reference only, and the outline and the corresponding entries throughout the act in no way limit, define, or prescribe the scope or application of the text of the act. The listing of the original bill or resolution in the outline of this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the provisions contained in the original bill or resolution.

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(1) Continuation of the Study of Revenue Laws (H.J.R. 13-Lilley),
(2) Acquired Immune Deficiency Syndrome--AIDS (H.J.R. 72 Jones),
(3) Applied Design School Feasibility (H.J.R. 118-Easterling),
(4) Continuation of the Study on the Problems of the Aging (H.J.R. 156-Edwards; S.R.J. 54-Hunt,W.),
(5) Continuation of Study of State Personnel System (H.J.R. 247-Stamey; S.J.R. 178-Hunt, W.),
(6) Farmland Preservation Techniques and Policy (H.J.R. 355-Beall),
(7) Day Care (H.J.R. 595-Colton; S.J.R. 360-Tally),
(8) State Schools for Hearing- and Sight-Impaired Children (H.J.R. 811-Jeralds),
(9) Modern Family (H.J.R. 964-Perdue),
(10) Types of High School Diplomas (H.J.R. 981-Chalk),
(11) Corporate Income Taxation (H.B. 999-Mothershead),

(12) Tourism's Growth and Effect (H.J.R. 1010-Perdue; S.B. 1328-Barker),
(13) Economic Development and Recruiting (H.B. 1097-Hightower),
(14) Control of Development around Small Public Water Supply Reservoirs (H.J.R. 1103-Hackney),
(15) Public School Teacher Career Development Pilot Program (H.B. 1183-McLaughlin),
(16) Unruly Students (H.B. 1221-Brawley),
(17) State Permitting of Septic Tank Systems (H.J.R. 1238-Redwine),
(18) Continuation of Study of Coastal Water Quality (H.B.1252-Stamey),
(19) Historic Preservation (H.J.R. 1257-Colton; S.J.R. 874-Walker),
(20) Military Justice Code for National Guard (H.B. 1265-Alexander),
(21) Need for a State Department of Housing (H.J.R. 1303-Fitch),
(22) Money Market Funds Treatment under the Intangibles Tax (H.B. 1344-Lineberry),
(23) Campaign and Election Procedures (H.B. 1533-Crawford,N.),
(24) State Buildings' Maintenance (H.B. 1606-Crawford,N.; S.B. 1012-Goldston),
(25) Pest Control (H.B. 1752-Holt),
(26) Attorney General's Staff (H.J.R. 1818-Anderson; S.J.R. 1157-Marvin),
(27) State Government Leasing of Office Space (H.J.R. 1819-Anderson; S.J.R. 1085-Marvin),
(28) Animal Welfare Act (H.B. 1850-Stamey),
(29) Housing Discrimination (H.B. 1965-Barnes),
(30) Sports Laws (H.B. 2093-Miller),
(31) Outdoor Drama Funding (H.B. 2107-Holt),
(32) Disadvantaged Business Contracts Financed by State Funds (H.B. 2130-Hardaway),
(33) State Contracts with Small Businesses (H.B. 2131-Hardaway),
(34) Continuation of Interest Rate Regulation Study (S.B. 203-Johnson, J.),
(35) Wellness Program for State Employees (S.J.R. 357-Sherron),
(36) Low-level Radioactive Waste Management (S.B. 359-Tally),

(37) Solid Waste Management (S.J.R. 362-Speed),
(38) Safe Roads Act Study (S.B. 509-Harris),
(39) Inactive Hazardous Sites Protection (S.B. 517-Smith),
(40) Interbasin Water Transfer (S.J.R. 855-Hardison),
(41) Care Provided by Rest Homes, Intermediate Care Facilities, and Skilled Nursing Homes (S.J.R. 856-Harris),
(42) Ombudsman Study (S.B. 857-Harris),
(43) Tax Collector Sell Auto Tags Study (S.B. 877-Swain),
(44) Emergency Care Volunteers Network (S.J.R. 880-Sherron),
(45) DHR Liability Insurance (S.B. 1009-Ward),
(46) State Publications' Need, Function, Effectiveness and Distribution (S.B. 1119-Martin,R.),
(47) Viability of Inland Waters and Severance Tax on Phosphate Rock Mining (S.B. 1167-Thomas),
(47A) Hunter's Safety/Wildlife Study,
(47B) The Acquisition of Abandoned Railroad Rights of Way or Easements by the State of N.C.,
(47C) Child Support Enforcement,
(47D) Watershed Protection (H.B. 1203-Fussell),
(47E) Automobile Insurance (H.B. 2159-Beard),
(47F) Interstate Banking (H.B. 1924-Diamont),
(48) Ferries (S.B. 1174-Basnight), and
(49) Oregon Inlet Navigation, Dredging and Stabilization (S.B. 1176-Basnight).

Sec. 2.2. Farm Issues (H.B. 1055-Locks). The Legislative Research Commission is authorized to study issues related to the preservation of farmers and farming, including the following issues:

(1) Whether there should be a mechanism for the mediation of farm debts;
(2) Whether the owner of agricultural land that has been sold pursuant to execution or foreclosure should have a right of first refusal in the sale or lease of the land;
(3) Whether the owner of agricultural land that has been sold pursuant to execution or foreclosure should have a right to partially redeem the land;
(4) Whether there should be additional State regulation to limit health hazards facing farmers;
(5) Whether there should be further legal protection for contract farmers;
(6) How additional public support can be generated for alternatives to traditional farm enterprises such as producing tobacco, corn, and soybeans;

(7) Which of the following approaches will lead to the preservation of farmland:
   (a) Existing and proposed national, state, and local programs,
   (b) Voluntary agricultural districting,
   (c) Purchase and transfer of development rights,
   (d) Conservancy work, and
   (e) County planning;
(8) The fiscal impact of public capital investments on farm and county finances.

Sec. 2.3. Veterans Preference in State Employment (H.B. 1133-Cunningham). The Legislative Research Commission may study the advisability of strengthening the preference to be accorded veterans in State employment.

Sec. 2.4. Gerontology (H.B. 384-Nye). The Legislative Research Commission may study the issue of gerontology as it relates to economics, health-related matters, independent living, and long-term care.

Sec. 2.5. Leaking Underground Storage Tanks (H.B. 1304-Wicker). The Legislative Research Commission may study issues relating to underground storage tanks, including liability and compensation for environmental damage resulting from leaking tanks.

Sec. 2.5A. Parental Leave (H.B. 965 - Kennedy). The Legislative Research Commission may study all aspects of granting parental leave in employment.

Sec. 2.6. Reporting Dates. For each of the topics the Legislative Research Commission decides to study under this act or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation to the 1989 General Assembly.

Sec. 2.7. Bills and Resolution References. The listing of the original bill or resolution in this Part is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

PART III.----- REGIONAL TEACHERS OF THE YEAR COMMISSION

Sec. 3.1. There is created in the General Assembly the Regional Teachers of the Year Commission. The Commission shall consist of 24 members appointed as follows:

(1) The Teacher of the Year for the 1987-88 school year from each of the eight education regions in the State shall serve until the Commission makes its final report to the 1989 General Assembly upon its convening.
(2) The Teacher of the Year for the 1986-87 year from each of

the eight education regions in the State shall serve until the 1988-89 Teacher of the Year from that region is appointed; when the 1988-89 Teacher of the Year for a region is appointed, he shall replace the 1986-87 teacher and shall serve until the Commission makes its final report to the 1989 General Assembly upon its convening.

(3) Four members of the Senate appointed by the President of the Senate shall serve until the Commission makes its final report to the 1989 General Assembly upon its convening.

(4) Four members of the House of Representatives appointed by the Speaker of the House of Representatives shall serve until the Commission makes its final report to the 1989 General Assembly upon its convening.

(5) The President of the Senate and the Speaker of the House of Representatives shall each appoint a cochair of the Commission.

Sec. 3.2. The Commission shall study issues related to public school policy that are referred to it by the President of the Senate or Speaker of the House of Representatives. The Commission may also, in its discretion, study any issues related to public school policy. The Commission shall make a final report to the 1989 General Assembly prior to January 1, 1989.

Sec. 3.3. With the prior approval of the Legislative Services Commission, the Legislative Services Office shall provide necessary professional and clerical assistance to the Commission. The Commission may also hold its meetings in the legislative buildings with the prior approval of the Legislative Services Commission.

Sec. 3.4. Members of the Commission who are members of the General Assembly shall be paid subsistence and travel expenses at the rate set forth in G.S. 120-3.1. Members of the Commission who are officials or employees of the State shall receive travel allowances at the rate set forth in G.S. 138-6. All other members of the Commission shall be paid per diem and allowances at the rates set forth in G.S. 138-5.

Sec. 3.5. There is appropriated from the General Fund to the General Assembly for the 1987-88 fiscal year the sum of ten thousand dollars ($10,000) and for the 1988-89 fiscal year the sum of ten thousand dollars ($10,000) for the operations of the Regional Teachers of the Year Commission.

PART IV.-----STATE VACCINE STUDY COMMISSION

Sec. 4.1. There is created a North Carolina State-Administered Vaccine Manufacturing Study Commission which shall study the feasibility of establishing State-administered vaccine manufacturing, as

well as any other related issues, in order to determine the best way to assure that all the children of this State receive vital vaccines at a reasonable cost.

Sec. 4.2. The Commission shall consist of nine members. One shall be the State Health Director, serving ex officio as a voting member. Four members shall be appointed by the Speaker of the House of Representatives as follows:

(1) Two shall be members of the House of Representatives at the time of their appointment; and

(2) Two shall be involved in health care, either as health care providers, health care faculty, or health care business representatives.

Four members shall be appointed by the President of the Senate as follows:

(1) Two shall be members of the Senate at the time of their appointment; and

(2) Two shall be involved in health care, either as health care providers, health care faculty, or health care business representatives.

Sec. 4.3. The Speaker of the House of Representatives and the President of the Senate shall each select a cochairman for the Commission. Either cochairman may preside at the meeting. The members shall serve until the termination of the Commission. If a vacancy occurs in the membership, the appointing authority shall appoint another person to serve the balance of the unexpired term in the same manner in which the original appointment was made.

Sec. 4.4. Legislative members of the Commission shall be reimbursed at the rates established in G.S. 120-3.1. Commission members who are State officers or employees shall be reimbursed at the rates set forth in G.S. 138-6. All other Commission members shall receive compensation and reimbursement for travel and subsistence at the rate set out in G.S.138-5. All this reimbursement shall be paid from funds available to the Commission. Upon receiving the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building.

Sec. 4.5. State departments and agencies shall provide the Commission any information and assistance it considers necessary. The Commission's professional staff may be provided by the Legislative Services Commission. Clerical staff shall be furnished to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of clerical staff shall be borne by the Commission.

Sec. 4.6. The Commission shall make its written report to the General Assembly upon its convening in 1989, and shall terminate upon this presentation.

Sec. 4.7. There is appropriated from the General Fund to the Legislative Services Commission the sum of fifteen thousand dollars ($15,000) for fiscal year 1987-88, to implement this Part.

PART V.-----PROPERTY TAX STUDY COMMITTEE

Sec. 5.1. Study committee established; membership. There is established a Property Tax System Study Committee. The Committee shall consist of 16 members who are legislators at the time of their appointment and six other members as provided below. The President of the Senate shall appoint eight members of the Senate, and the Speaker of the House shall appoint eight members of the House of Representatives to serve on the Committee. To aid the Committee in its study of the property tax system, six additional members shall be appointed as follows: the Speaker of the House shall appoint three members, one of whom is a county commissioner, one a county tax official, and one a citizen representing the public at large; and the President of the Senate shall appoint three members, one of whom is a county commissioner, one an elected municipal official, and one a citizen representing the public at large. All appointments shall be made in time for the Committee to begin its work by October 1, 1987. The Speaker and President of the Senate shall jointly call the first meeting to be held on a date no later than October 1, 1987.

Sec. 5.2. Selection of cochairmen; vacancies. The President of the Senate and the Speaker of the House of Representatives shall each designate one of the legislative members appointed by them as cochairman. Original members appointed to the Committee shall serve until the Committee makes its final report. Vacancies on the Committee shall be filled in the same manner as the original appointments were made.

Sec. 5.3. Subject of study. The Committee shall make a detailed and comprehensive study of the efficiency, effectiveness, and fairness of the property tax system in North Carolina. The Committee shall examine all classes of property comprising the property tax base; all exemptions, exclusions, and preferential classifications; and the valuation of public service company property to determine whether the property tax system is just and equitable in taxing the citizens of the State. The Committee shall review current procedures for listing and collecting taxes on personal and real property to determine how to increase the efficiency and equity of these procedures. The Committee shall examine the octennial revaluation system and evaluate the feasibility of any programs that would aid the counties in conducting more frequent revaluations.

Sec. 5.4. Reports; termination. On or before March 1, 1989, the Committee shall submit a final written report of its recommendations to the General Assembly by filing the report with the Speaker of the House and President of the Senate. If legislation is recommended, the Committee shall submit appropriate bills with its report. The Committee shall terminate upon filing its final report.

Sec. 5.5. Staffing. The Committee shall consult with tax officials in State and local government. With the prior approval of the Legislative Services Commission, the Committee may obtain clerical and professional assistance from the Legislative Services Office. The Committee may also obtain assistance from the Department of Revenue.

Sec. 5.6. Meeting place. With the prior approval of the Legislative Services Commission, the Committee shall meet in the State Legislative Building or in the Legislative Office Building.

Sec. 5.7. Members' reimbursement. Committee members who are legislators shall be paid subsistence and travel allowances at the rates established for members of the General Assembly in G.S. 120-3.1. Other Committee members shall be paid subsistence and travel allowances at the rates established in G.S. 138-5.

Sec. 5.8. Funding. The expenses of the Committee shall be paid from funds collected by the Department of Revenue under Article 7, Chapter 105 of the General Statutes. The funds expended shall be deducted as in G. S. 105-213(a) for the costs of administering the intangibles tax. Committee expenses shall be limited to a maximum of seventy-five thousand dollars ($75,000).

PART VI.-----STATE PROPERTY STUDY COMMITTEE

Sec. 6.1. There is established the Legislative Study Committee on State-owned Property. The Committee shall consist of six members of the Senate appointed by the President of the Senate and six members of the House of Representatives appointed by the Speaker of the House of Representatives. The President of the Senate and the Speaker of the House of Representatives shall each appoint a cochairman from their appointees.

Sec. 6.2. The Committee shall study:

(1) The current system of planning for the space needs of the State and the allocation and current use of State-owned property;

(2) The need for more coordinated management of or central management of State-owned capital assets;

(3) The current system of making capital budget decisions, including decisions on whether to lease space or use State-owned space;

(4) The current capital facilities construction procedures; and

(5) Any related issues the Committee deems appropriate.

Sec. 6.3. The Committee shall make a final report to the 1989 General Assembly. The Committee shall terminate upon making its final report.

Sec. 6.4. Upon the prior approval of the Legislative Services Commission, the Committee may obtain staff assistance from the Legislative Services Office. The members may meet in the legislative buildings. The Committee members may be paid allowances in accordance with G.S. 120-3.1.

Sec. 6.5. There is appropriated from the General Fund to the General Assembly the sum of twenty thousand dollars ($20,000) for the 1987-88 fiscal year for the study authorized in this Part. Funds not used for this purpose during the 1987-88 fiscal year shall remain available for expenditure for the 1988-89 fiscal year.

PART VII.-----STATE PARKS STUDY COMMISSION

Sec. 7.1. There is created a Study Commission on State Parks and Recreation Areas to be composed of nine members: three Senators to be appointed by the President of the Senate, three Representatives to be appointed by the Speaker of the House, and three public members to be appointed by the Governor. Appointments to the Study Commission shall be made within 30 days subsequent to the adjournment of the General Assembly in 1987. The President of the Senate and the Speaker of the House shall each designate a cochairman from their appointees. Either cochairman may call the first meeting of the Study Commission. With the prior approval of the Legislative Services Commission, the Study Commission may hold its meetings in the legislative buildings.

Sec. 7.2. The Study Commission is authorized:

(a) To identify the needs of State Parks and Recreation Areas;

(b) To review and formulate recommended legislation;

(c) To collect and evaluate reports and recommendations of various agencies, councils, and associations relating to State Parks and Recreation Areas; and

(d) To study any other issues pertinent to the State Parks and Recreation System.

Sec. 7.3. With the prior approval of the Legislative Services Commission, the Study Commission shall use available employees, both secretarial and professional, of the General Assembly or may employ such employees as the Study Commission deems proper. The cochairmen may assign and direct the activities of the employees, subject to the advice of the Study Commission. The Department of Natural Resources and Community Development and any other departments, boards, or associations shall assist the Study Commission and furnish any information or expertise requested.

Sec. 7.4. The Study Commission shall file a written report of its findings and recommendations with the presiding officer of the House of Representatives and the Senate on or before February 15, 1989.

Upon the filing of the report, the Study Commission shall terminate.

Sec. 7.5. Members of the Study Commission shall serve without compensation, but they shall be paid such per diem and travel expenses in accordance with G.S. 138-5. Members who are legislators shall be reimbursed for travel and subsistence expenses in accordance with G.S. 120-3.1.

Sec. 7.6. There is appropriated from the General Fund to the General Assembly the sum of twenty thousand dollars ($20,000) for the fiscal year 1987-88 for the expenses of the Study Commission on State Parks and Recreation Areas.

PART VIII.-----SOCIAL SERVICES STUDY COMMISSION

Sec. 8.1. Social Services Study Commission; establishment. There is established the Social Services Study Commission, an independent commission to study public social services and public assistance in North Carolina, and to recommend improvements that will assure that North Carolina has cost effective, consistently administered public social services and public assistance for its people.

Sec. 8.2. Social Services Study Commission; duties. The Commission shall study and recommend any improvements to public social services and public assistance that the Commission considers necessary and appropriate. The study and recommendations shall include assessments of the administration, cost, efficiency, quality, effectiveness, scope, and availability of public social services and public assistance in the State and each of the counties.

Sec. 8.3. Social Services Study Commission; membership. The Commission shall consist of 17 voting and four non-voting members. The Speaker of the House of Representatives shall appoint seven voting members, five of whom shall be House members, one of whom shall be a county commissioner, and one of whom shall be a low income recipient of social services or public assistance benefits. The President of the Senate shall appoint seven voting members, five of whom shall be Senators, one of whom shall be a county social services director, and one of whom shall be an advocate for low income people who is familiar with social services and public assistance programs. The Governor shall appoint three voting members, one of whom shall be the Secretary of Human Resources or his designee, one of whom shall be an officer or director of a private social services agency, and one of whom shall be a business representative who is involved in a local Private Industry Council. The Speaker of the House of Representatives and the President of the Senate shall each appoint two non-voting members who shall be

involved in the administration of or funding for social services and public assistance programs.

Sec. 8.4. Initial appointments shall be made within 30 days following adjournment of the 1987 Regular Session of the 1987 General Assembly. Vacancies shall be filled by the official who made the initial appointment. The same criteria apply to appointments made to fill vacancies as apply to initial appointments.

Sec. 8.5. The President of the Senate and the Speaker of the House of Representatives shall each appoint a co-chair of the Commission. The co-chair shall preside at alternate meetings.

Sec. 8.6. Commission members shall receive no salary for their services but shall receive subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5, and G.S. 138-6, as applicable.

Sec. 8.7. Social Services Study Commission; meetings; report; staffing. The Commission's first meeting shall be held by October 1, 1987. The Commission shall meet at least once a month. The co-chair may call additional meetings.

Sec. 8.8. The Commission shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office. The Commission shall make a final written report of its findings and recommendations to the Governor, the Speaker of the House of Representatives, and the President of the Senate by January 1, 1989. The Commission shall terminate upon the filing of this report.

Sec. 8.9. The Commission may solicit, employ, or contract for professional, technical, and clerical assistance, and may purchase or contract for the materials and services it needs. Subject to the approval of the Legislative Services Commission, the professional and clerical staff resources of the Legislative Services Office shall be available to the Commission and the Commission may meet in the Legislative Building or the Legislative Office Building. With the consent of the Secretary of Human Resources, staff from the Department of Human Resources and any of its divisions may be assigned permanently or temporarily to assist the Commission or its staff.

Sec. 8.10. Upon request of the Commission or its staff, all State departments and agencies and all local governmental agencies shall furnish the Commission or its staff with any information in their possession or available to them.

Sec. 8.11. There is appropriated from the General Fund to the Legislative Services Commission the sum of one hundred thousand dollars ($100,000) for fiscal year 1987-88 to implement this Part.

PART IX.----- WORKPLACE DRUG TESTING STUDY COMMISSION

Sec. 9.1. There is created a Study Commission on the Uniform Regulation of Substance Abuse Testing.

Sec. 9.2. The Commission shall consist of 14 members. The President of the Senate shall appoint seven members, including three members of the Senate, two representatives of business and industry in the State, one representative of the interest of State or public employees, and one representative of employees in private industry or private employee groups. The Speaker of the House of Representatives shall appoint seven members, including three members of the House of Representatives, two representatives of business and industry in the State, one representative of the interest of State or public employees, and one representative of employees in private industry or private employee groups.

Sec. 9.3. The Commission may call upon other agencies of State government including the Department of Labor and may seek input from medical and scientific resources who are knowledgeable concerning drug testing in the workplace and the Division of Health Services.

Sec. 9.4. All appointments shall be made no later than October 1, 1987.

Sec. 9.5. The President of the Senate and the Speaker of the House shall each appoint a cochairman from the membership of the Commission. Either cochairman may call the first meeting.

Sec. 9.6. The Commission shall examine existing drug testing of applicants for employment and employees in the workplace. The Commission may recommend procedures or regulations for the administration of drug tests by employers that would protect both employer and employee. The Commission may recommend legislation that addresses the problems associated with the establishment of uniform standards for the use of drug testing in the workplace.

Sec. 9.7. The Commission shall submit a written report to the 1989 General Assembly upon its convening. Upon the filing of the report, the Study Commission shall terminate.

Sec. 9.8. With the prior approval of the Legislative Services Commission, necessary professional and clerical assistance shall be provided by the Legislative Services Commission. The Legislative Services Commission may also enter into contracts for the provision of technical assistance it finds necessary for the performance of its responsibilities under this Part.

Sec. 9.9. Members of the Commission who are also members of the General Assembly shall be paid subsistence and travel expenses in

accordance with G.S. 120-3.1. All other members of the Commission shall be paid the per diem allowances in accordance with G.S. 138-5.

Sec. 9.10. There is appropriated from the General Fund to the General Assembly the sum of twenty thousand dollars ($20,000) for the 1987-88 fiscal year to fund the study authorized by this Part.

PART X.-----ADOLESCENT PREGNANCY STUDY COMMISSION

Sec. 10.1. The Adolescent Pregnancy Study Commission is created. The Commission shall consist of 14 members:

(1) Four Senators appointed by the President of the Senate;

(2) Four Representatives appointed by the Speaker of the House; and

(3) Six non-legislators: three appointed by the President of the Senate to include one health educator, one public health official or public health provider, and one public school student; and three appointed by the Speaker of the House to include one school board member, one public school student, and one member of the general public. All initial appointments shall be made by September 15, 1987. Vacancies on the Adolescent Pregnancy Study Commission shall be filled in the same manner as initial appointments.

Sec. 10.2. The President shall designate one Senator as Cochair and the Speaker shall designate one Representative as Cochair. The Cochairs shall call the initial meeting of the Adolescent Pregnancy Study Commission.

Sec. 10.3. The Adolescent Pregnancy Study Commission shall study the subjects of adolescent pregnancy and teaching about adolescent sexuality. The Adolescent Pregnancy Study Commission shall monitor and evaluate the State's efforts in the areas of adolescent pregnancy and teaching about adolescent sexuality. Specifically, the Adolescent Pregnancy Study Commission shall monitor and evaluate the adolescent pregnancy programs funded with appropriations by the 1985 and 1987 General Assemblies; and it shall monitor and evaluate family life education under the Basic Education Program.

Sec. 10.4. The Adolescent Pregnancy Study Commission shall submit a report of its findings and recommendations to the 1988 Session of the 1987 General Assembly and shall submit a report to the 1989 General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Adolescent Pregnancy Study Commission shall terminate.

Sec. 10.5. Upon approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign

professional staff to assist in the work of the Adolescent Pregnancy Study Commission. Clerical staff shall be furnished to the Adolescent Pregnancy Study Commission through the offices of the House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Adolescent Pregnancy Study Commission. The Adolescent Pregnancy Study Commission may meet in the Legislative Building or the Legislative Office Building with approval of the Legislative Services Commission.

Sec. 10.6. Members of the Adolescent Pregnancy Study Commission shall be paid subsistence and travel allowances as follows:

(1) Adolescent Pregnancy Study Commission members who are also General Assembly members at the rate established in G.S. 120-3.1;

(2) Adolescent Pregnancy Study Commission members who are also officials or employees of the State at the rate established in G.S. 138-6;

(3) All other Adolescent Pregnancy Study Commission members at the rate established in G.S. 138-5.

Sec. 10.7. There is appropriated from the General Fund to the Legislative Services Commission for fiscal year 1987-88 the sum of thirty thousand dollars ($30,000) to fund the Adolescent Pregnancy Study Commission. Unexpended funds at the end of the 1987-88 fiscal year do not revert but shall remain in the budget to fund the Adolescent Pregnancy Study Commission until it terminates.

PART XI.-----EXECUTIVE AND LEGISLATIVE SALARY STUDY

Sec. 11.1. There is established the Commission to Study the Salary and Compensation of Executive Branch Officers and Members of the General Assembly. The Commission shall consist of 14 members appointed as follows:

three members of the House of Representatives and three persons who are not members of the General Assembly, appointed by the Speaker of the House of Representatives;

three members of the Senate and three persons who are not members of the General Assembly appointed by the President Pro Tempore of the Senate;

a member of the Governor's Cabinet appointed by the Governor; and

a member of the Council of State as designated by the Secretary of State.

A cochairman of the Commission shall be named from among its membership by the Speaker of the House of Representatives and a cochairman of the Commission shall be named from among its membership by the President Pro Tempore of the Senate.

Sec. 11.2. Upon the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building and the Legislative Office Building. With the approval of the Legislative Services Commission, the Legislative Services Office shall provide professional and clerical staff to the Commission.

Sec. 11.3. The initial meeting shall be called by the cochairmen.

Sec. 11.4. Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

Sec. 11.5. The Commission shall study the salary and compensation of members of the Council of State, the Governor's Cabinet, and the General Assembly, and shall report its findings to the General Assembly on or before June 1, 1988.

Sec. 11.6. There is appropriated from the General Fund to the General Assembly for fiscal year 1987-88 the sum of fifty thousand dollars ($50,000) for the use of the Commission.

PART XII.----- WORKER TRAINING TRUST FUND STUDY COMMISSION

Sec. 12.1. The North Carolina Worker Trust Fund Study Commission is created. The Commission shall consist of 10 members. The President of the Senate shall appoint five members, at least one of whom shall not be a senator. The Speaker of the House shall appoint five members, at least one of whom shall not be a representative. All initial appointments shall be made no later than September 15, 1987. Vacancies on the Commission shall be filled in the same manner as initial appointments. The President of the Senate and the Speaker of the House shall appoint cochairmen from among the membership of the Commission.

Sec. 12.2. The Commission shall:

(1) Study and document the needs of displaced and dislocated workers for education and training;

(2) Recommend viable training programs directed toward enhancing the employability of workers;

(3) Study and document the needs for school-to-work transition activities and programs;

(4) Design a plan for the distribution of any refunds to employers that it finds are warranted; and

(5) Study the need of the Employment Security Commission for continued and stable funding to maintain the operation of its local offices.

PART XIII.-----COMMISSION ON AGING

Sec. 13.1. Chapter 120 of the General Statutes is amended by adding a new Article to read:

"Article 21.

"The North Carolina Study Commission on Aging.

"§ *120-180. Commission; creation.*--The North Carolina Study Commission on Aging is created to study and evaluate the existing system of delivery of State services to older adults and to recommend an improved system of delivery to meet the present and future needs of older adults. This study shall be a continuing one and the evaluation ongoing, as the population of older citizens grows and as old problems faced by older citizens magnify and are augmented by new problems.

"§ *120-181. Commission; duties.*--The Commission shall study the issues of availability and accessibility of health, mental health, social, and other services needed by older adults. In making this study the Commission shall:

(1) Study the needs of older adults in North Carolina;

(2) Assess the current status of the adequacy and of the delivery of health, mental health, social, and other services to older adults;

(3) Collect current and long range data on the older adult population and disseminate this data on an ongoing basis to agencies and organizations that are concerned with the needs of older adults;

(4) Develop a comprehensive data base relating to older adults, which may be used to facilitate both short and long range agency planning for services for older adults and for delivery of these services;

(5) Document and review requests of federal, State, regional, and local governments for legislation or appropriations for services for older adults, and make recommendations after review;

(6) Evaluate long-term health care and its non-institutional alternatives;

(7) Propose a plan for the development and delivery of State services for older adults that, if implemented, would, over 10 years, result in a comprehensive, cost-effective system of services for older adults;

(8) Study all issues and aspects of gerontological concerns and problems, including but not limited to Alzheimer's Disease; and

(9) Carry out any other evaluations the Commission considers necessary to perform its mandate.

"§ *120-182. Commission; membership.*--The Commission shall consist of 17 members, as follows:

(1) The Secretary of the Department of Human Resources or his delegate shall serve ex officio as a non- voting member;

(2) Eight shall be appointed by the Speaker of the House of Representatives, five being members of the House of Representatives at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults; and

(3) Eight shall be appointed by the President of the Senate, five being members of the Senate at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults.

Any vacancy shall be filled by the appointing authority who made the initial appointment and by a person having the same qualifications. All initial appointments shall be made within one calendar month from the effective date of this Article. Members' terms shall last for two years. Members may be reappointed for two consecutive terms and may be appointed again after having been off the Commission for two years.

"§ *120-183. Commission; meetings.*--The Commission shall have its initial meeting no later than October 1, 1987, at the call of the President of the Senate and Speaker of the House. The President of the Senate and the Speaker of the House of Representatives shall appoint a cochairman each from the membership of the Commission. The Commission shall meet upon the call of the cochairmen.

"§ *120-184. Commission; reimbursement.*--The Commission members shall receive no salary as a result of serving on the Commission but shall receive necessary subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5 and G.S. 138-6, as applicable.

"§ *120-185. Commission; public hearings.*--The Commission may hold public meetings across the State to solicit public input with respect to the issues of aging in North Carolina.

"§ *120-186. Commission; authority.*--The Commission has the authority to obtain information and data from all State officers, agents, agencies and departments, while in discharge of its duties, pursuant to the provisions of G.S. 120-19, as if it were a committee of the General Assembly. The Commission shall also have the authority to call witnesses, compel testimony relevant to any matter properly before the Commission, and subpoena records and documents, provided that any patient record shall have patient identifying information removed.

The provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission as if it were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this section, the subpoena shall also be signed by the cochairmen of the Commission. Any cost of providing information to the Commission not covered by G.S. 120-19.3 may be reimbursed by the Commission from funds appropriated to it for its continuing study.

"§ *120-187. Commission; reports.*--The Commission shall report to the General Assembly and the Governor the results of its study and recommendations. A written report shall be submitted to each bienniel session of the General Assembly at its convening.

"§ *120-188. Commission; staff; meeting place.*--The Commission may contract for clerical or professional staff or for any other services it may require in the course of its on-going study. At the request of the Commission, the Legislative Services Commission may supply members of the staff of the Legislative Services Office and clerical assistance to the Commission as the Legislative Services Commission considers appropriate.

The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building."

Sec. 13.2. There is appropriated from the General Fund to the Legislative Services Commission the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year and the sum of fifty thousand dollars ($50,000) for the 1988-89 fiscal year, to fund the first two years of the Commission's study established by this Part.

PART XIIIA.-----CORPORATE LAW STUDY COMMISSION

Sec. 13A.1. There is established the Commission to Revise the Business Corporation Act. The Commission shall be composed of eight members, as follows:

(1) Three members of the House of Representatives appointed by the Speaker of the House of Representatives;

(2) One non-legislator appointed by the Speaker of the House of Representatives, who is knowledgeable about business law;

(3) Three members of the Senate appointed by the President of the Senate;

(4) One non-legislator appointed by the President of the Senate, who is knowledgeable about business law;

Sec. 13A.2. A cochairman of the Commission shall be named from among its membership by the Speaker of the House of Representatives and a cochairman of the Commission shall be named from among its membership by the President of the Senate.

Sec. 13A.3. Upon the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building and the Legislative Office Building. The Department of Justice shall provide professional and clerical staff to the Commission.

Sec. 13A.4. The initial meeting shall be called by the cochairman.

Sec. 13A.5. Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

Sec. 13A.6. The Commission shall review the Business Corporation Act and recommend such rewrite or recodification as is necessary to modernize that act, and shall report its findings to the General Assembly on or before June 1, 1988. The Commission shall terminate upon the filing of the report.

Sec. 13A.7. There is appropriated from the General Fund to the Legislative Services Commission for fiscal year 1987-88 the sum of fifteen thousand dollars ($15,000) for the use of the Commission to Revise the Business Corporation Act.

PART XIV.-----STATE COMPUTER STUDY COMMISSION

Sec. 14.1. The State Information Processing Needs and Cost Study Commission is created. The Commission shall consist of three members of the Senate appointed by the President of the Senate; three members of the House of Representatives appointed by the Speaker of the House of Representatives; one citizen of the State of North Carolina who has a background in and familiarity with information systems or data communications appointed by the President of the Senate; and one citizen of the State of North Carolina who has a background in and familiarity with information systems or data communications appointed by the Speaker of the House of Representatives. All initial appointments shall be made by September 15, 1987. Vacancies on the Commission shall be filled in the same manner as initial appointments.

Sec. 14.2. The President of the Senate shall designate one Senator as cochairman and the Speaker of the House of Representatives shall designate one Representative as cochairman. The cochairmen shall call the initial meeting of the Commission.

Sec. 14.3. The Commission shall study:

(1) Policies and procedures at the State Information Processing Services and other executive agencies governing computer equipment purchase and lease contracts, equipment maintenance

contracts, software support and maintenance contracts, contract programming services, and data communication contracts;

(2) Opportunities for containing the State's cost of computer equipment purchase and lease contracts, equipment maintenance contracts, software support and maintenance contracts, contract programming services, and data communication contracts;

(3) Current charge structures for information processing in North Carolina State government, particularly charge structures at the State Information Processing Services;

(4) Information systems use and needs in North Carolina State government;

(5) Potential demands for additional information staff, equipment, software, data communications, and consulting services in North Carolina State government in the next 10 years;

(6) Abilities of executive agencies to analyze, project, and plan State government's information needs and capabilities; and

(7) Policies and organizational structures used in other states to contain government information processing costs and the potential use of those policies and structures in North Carolina State government.

Sec. 14.4. Upon the Commission's request, all State departments and agencies shall provide the Commission with documentation of data processing systems and other information deemed necessary by the Commission.

Sec. 14.5. The Commission shall submit a final report on the topics mentioned above, other findings, and recommendations for legislation before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

Sec. 14.6. Upon approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional staff to assist in the work of the Commission. The expenses of employment of the clerical staff shall be borne by the Commission. The Commission may meet in the Legislative Building or the Legislative Office Building, upon approval of the Legislative Services Commission.

Sec. 14.7. During the course of its study, the Commission may at its discretion and upon approval of the Legislative Services Commission, hire consultants to provide technical assistance to it and the Commission's staff.

Sec. 14.8. Members of the Commission who are also members of the General Assembly shall be paid subsistence and travel expenses at the rate set forth in G.S. 120-3.1. Members of the Commission

who are officials or employees of the State shall receive travel allowances at the rate set forth in G.S. 138-6. All other members of the Commission shall be paid per diem and allowances at the rates set forth in G.S. 138-5.

Sec. 14.9. There is appropriated from the General Fund to the General Assembly the sum of seventy-five thousand dollars ($75,000) for fiscal year 1987-88 to fund the State Information Processing Needs and Cost Study Commission. These funds shall not revert at the end of the 1987-88 fiscal year but shall remain available for use by the Commission until its termination.

PART XV.----- KINDERGARTEN STUDY/GOVERNMENTAL OPERATIONS

Sec. 15.1. The Joint Legislative Commission on Governmental Operations shall study kindergartens in the public schools. The study shall include:

(1) A review of the literature identifying developmentally appropriate educational practices at the kindergarten level. These practices shall include instructional content, instructional strategies, use of preschool screening, organization of the classroom, organization of the school day, and articulation between kindergarten and first grade programs.

(2) Investigation of other variables such as entry age, the certification of current kindergarten teachers, and teacher satisfaction with child progress. These additional variables shall be decided upon by the Joint Legislative Commission on Governmental Operations.

(3) Selection of a representative sample of kindergarten classes in North Carolina. The sample may be stratified on variables decided upon by the Joint Legislative Commission on Governmental Operations.

(4) Development of a survey instrument to be sent to kindergarten teachers for completion. The survey shall include the factors listed in (1) and (2) above.

(5) Thorough data collection activities, including follow-up activities necessary to generate an acceptable rate of return.

(6) Data analysis activities designed to determine the extent to which current educational practices in North Carolina kindergarten classes match practices identified as developmentally appropriate, and to relate variables such as teacher certification and teacher satisfaction with child progress with developmentally appropriate practices.

(7) Selection of a sample of the surveyed kindergarten classes for the purpose of making classroom observations. The classroom observations shall be designed to verify the survey data and to provide more in-depth information about the extent to which current

educational practices at the kindergarten level are developmentally appropriate.

(8) Development and presentation of a report on this study.

The Joint Legislative Commission on Governmental Operations may hire a consultant to assist it in the study. The consultant shall have expertise in early intervention or kindergarten programs.

Sec. 15.2. There is appropriated from the General Fund to the General Assembly, the sum of one hundred fifty thousand dollars ($150,000) for the 1987-88 fiscal year for the study mandated in this Part. The cochairmen of the Joint Legislative Commission on Governmental Operations, in their discretion, may use such additional funds appropriated to the General Assembly as they deem necessary to complete the study mandated by this Part.

PART XVI.-----PUBLIC HOSPITAL STUDY COMMISSION

Sec. 16.1. There is created the Study Commission on Survival of Public Hospitals.

Sec. 16.2. Duties of the Commission. The Commission shall make a comprehensive study of the need of public hospitals in North Carolina to pursue innovative delivery and financial arrangements in order to compete with other providers of health care in the changing health care environment. The issues to be examined by the Commission include:

(1) What has caused the growth of a more competitive health care environment;

(2) How the growth of a more competitive health care environment has affected public hospitals in North Carolina;

(3) Whether public hospitals diversify the way in which they deliver health care in order to meet the needs of the people they serve, including indigents, and their medical staffs, and to fulfill their mission;

(4) Which hospitals in the State are public hospitals owned and controlled by local governmental units and how that relationship is organized;

(5) How the operations and capital expenditures of public hospitals owned and controlled by local governments are currently financed;

(6) What constitutional, statutory, and case law restrictions prevent public hospitals from making the fullest use of their resources in competing with nonpublic providers of health care;

(7) What constitutional, statutory, and case law restrictions prevent public hospitals or the local governmental units that own and control them from participating in or financing innovative arrangements for the provision of health care with private persons or

entities; and

(8) How diversified activities should be organized and financed.

Sec. 16.3. The Commission shall study the issues listed above, as well as related issues, in preparing its report and recommendations.

Sec. 16.4. Appointment of members. The Commission shall consist of 17 members, as follows:

(1) The State Treasurer or his designee;

(2) Two members of the Senate to be appointed by the President of the Senate;

(3) Two members of the House of Representatives to be appointed by the Speaker of the House;

(4) One representative of the business community to be appointed by the President of the Senate from nominee(s) submitted by the North Carolina Citizens for Business and Industry;

(5) One representative of the small business community (employers with fewer than 50 employees) to be appointed by the Speaker of the House from nominee(s) submitted by the National Federation of Independent Business, North Carolina Chapter;

(6) Two county commissioners from counties that own and control public hospitals, with one commissioner to be chosen by the President of the Senate and one by the Speaker of the House from nominee(s) submitted by the North Carolina Association of County Commissioners;

(7) Two Chief Executive Officers of public hospitals, with one executive to be appointed by the President of the Senate and one by the Speaker of the House from nominee(s) submitted by the North Carolina Hospital Association;

(8) Two trustees of public hospitals, with one trustee to be appointed by the President of the Senate and one to be appointed by the Speaker of the House from nominee(s) submitted by the North Carolina Hospital Association;

(9) Two attorneys who represent public hospitals, with one attorney to be appointed by the President of the Senate and one to be appointed by the Speaker of the House;

(10) One director of a health policy and administration program to be appointed by the President of the Senate; and

(11) One advocate for low income people who is familiar with indigent health care issues to be appointed by the Speaker of the House.

Sec. 16.5. All members to the Commission shall be appointed no later than September 15, 1987.

Sec. 16.6. Any vacancy in the membership shall be filled to serve the balance of the unexpired term by the appointing authority in the same manner in which the original appointment was made. The members shall serve until the termination of the Commission and the Commission shall terminate upon the filing of its report with the General Assembly.

Sec. 16.7. Cochairmen. The President of the Senate and the Speaker of the House of Representatives shall each appoint a chairman. The cochairmen shall preside alternately at all of the meetings. The cochairmen shall call the first meeting of the Commission, which shall be held no later than October 1, 1987.

Sec. 16.8. Subsistence and travel expense. Commission members shall receive no salary for their service but shall receive reimbursement for subsistence and travel. Legislator members shall be reimbursed for subsistence and travel at the rates established in G.S. 120-3.1; Commission members who are State officers or employees shall be reimbursed for subsistence and travel at the rates set forth in G.S. 138-6; and all other Commission members shall be reimbursed for subsistence and travel pursuant to G.S. 138-5. All such reimbursement shall be from funds appropriated or donated to the Commission.

.Sec. 16.9. Facilities and staff. At the request of the Commission, the Legislative Services Commission may supply members of the professional staff of the Legislative Services Office and clerical assistance to the Commission as it deems appropriate. The Commission may also employ such professional and clerical staff as it deems necessary to the performance of its duties. With approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or Legislative Office Building.

Sec. 16.10. State agencies; powers; costs of information. State departments and agencies shall provide the Commission any assistance and information it deems necessary. The Commission shall have the authority, as if it were a Committee of the General Assembly, pursuant to G.S. 120-19 through G.S. 120-19.7, to call witnesses, compel testimony relevant to any matter before the Commission, and subpoena records and documents, provided that any patient record shall have identifying information removed. This includes the authority to obtain information from all State officers, employees, agencies and departments needed for discharge of its duties pursuant to G.S. 120-19 as if it were a Committee of the General Assembly. Any cost of providing information not reimbursed pursuant to G.S. 120-19.3 may be reimbursed by the Commission from funds appropriated to it.

Sec. 16.11. Report and recommendations. The Commission shall submit a written report containing the results of its study and recommendations, including recommended legislation, to the 1989 General Assembly upon its convening.

Sec. 16.12. There is appropriated from the General Fund to a Reserve for the Study Commission on Survival of Public Hospitals in the Office of State Treasurer the sum of ten thousand dollars ($10,000) for the 1987-88 fiscal year, to fund this Part.

Sec. 16.13. In addition, the Commission is authorized to accept and expend donations from private persons, corporations, foundations, or other entities in furtherance of its study and preparation of its report and recommendations.

PART XVII.----- TALL STRUCTURE/AIRPORT STUDY COMMISSION

Sec. 17.1. There is established the Commission to Study Height Limitations Near Public-Use Airports. The Commission shall be composed of 12 members, as follows:

(1) Four members of the House of Representatives appointed by the Speaker of the House of Representatives;

(2) Two other persons appointed by the Speaker of the House of Representatives, one representing the broadcasting industry and one representing the North Carolina League of Municipalities;

(3) Four members of the Senate appointed by the President of the Senate;

(4) Two other persons appointed by the President of the Senate, one of whom is a representative of the Airport Management Association and one of whom is a representative of the North Carolina Association of County Commissioners.

Sec. 17.2. A cochairman of the Commission shall be named from among its membership by the Speaker of the House of Representatives and a cochairman of the Commission shall be named from among its membership by the President of the Senate.

Sec. 17.3. Upon the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building and the Legislative Office Building. The Legislative Services Office shall provide professional and clerical staff to the Commission.

Sec. 17.4. The initial meeting shall be called by the cochairmen.

Sec. 17.5. Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem,

subsistence, and travel allowances as provided by G.S. 138-5.

Sec. 17.6. The Commission shall study the necessity of limiting the height of structures in the vicinity of public-use airports, and shall report its findings to the 1989 General Assembly upon its convening. The Commission shall terminate upon the filing of that report.

Sec. 17.7. There is appropriated from the General Fund to the General Assembly for fiscal year 1987-88 the sum of twenty thousand dollars ($20,000) for the use of the Commission to Study Height Limitations Near Public-Use Airports.

PART XVIII.----- SECONDARY SCHOOLS STUDY/ GOVERNMENTAL OPERATIONS

Sec. 18.1. (a)Although North Carolina is dedicated to educatio aduation, it is necessary to study the current status of secondary education in North Carolina and consequently to make recommendations to the State Board of Education for improvement of current practices. Therefore, the Joint Legislative Commission on Governmental Operations shall conduct a study to determine the status of secondary schools in North Carolina. The purpose of this study shall be to make recommendations for the improvement of secondary education that are based on findings regarding the current status.

(b) The Joint Legislative Commission on Governmental Operations may hire a consultant to direct this study.

(c) Specific activities of the study shall include:

(1) A review of the literature identifying factors associated with effective secondary schools.

(2) Input from nationally-known experts in the field of secondary education on factors associated with effective secondary schools and on factors which are critical to obtaining a comprehensive portrait of secondary education in North Carolina. Such factors shall include, but not be limited to: curricular offerings, scheduling alternatives, student evaluation methods, graduation requirements, extracurricular activities, instructional methods, and experimental programs.

(3) Selection of a representative sample of all secondary schools (grades 9-12) in North Carolina. Such sample may be stratified according to size or other relevant variable(s) as decided upon by the consultant in conjunction with the Joint Legislative Commission.

(4) Development of a survey instrument to be sent to the school principal (or his/her designee) for completion. Such survey shall include the factors listed in (2) above.

(5) Thorough data collection activities, including mailing and follow-up activities necessary to generate an acceptable rate of return.

(6) Data analysis activities designed to determine the extent to which these factors exist in North Carolina's secondary schools and the extent to which existence of these factors varies by the stratification variables used.

(7) Development and presentation of a report on this survey.

(d) The study shall begin no later than October 1, 1987, and the final report shall be presented no later than May 15, 1988.

Sec. 18.2. There is appropriated from the General Fund to the General Assembly the sum of one hundred fifty thousand dollars ($150,000) for fiscal year 1987-88 for the study mandated by this Part. The cochairmen of the Joint Legislative Commission on Governmental Operations may in their discretion use such additional funds appropriated to the General Assembly as they deem necessary to complete the study mandated by this Part.

PART XIX.----- SCHOOL DROPOUT STUDY/ GOVERNMENTAL OPERATIONS

Sec. 19.1. (a) Although the holding power of the secondary school has improved, thousands of North Carolina youth, from backgrounds and having all ability levels, continue to drop out of school before completing their planned course of study. Additionally, there are students who remain in school but find secondary programs too stereotyped and largely meaningless. On the other hand, other students find satisfaction and challenge in attending school and consequently remain until they graduate. Given the importance of retaining as many students as possible through graduation, it is necessary to determine what school-based factors facilitate or impede the graduation of high percentages of secondary-aged students. Therefore, the Joint Legislative Commission on Governmental Operations shall study secondary schools to determine what factors are associated with high and low dropout rates in North Carolina schools.

(b) The Joint Legislative Commission on Governmental Operations may hire a consultant to direct this study.

(c) Specific activities of the study shall include:

(1) A literature review identifying those factors in the literature that are associated with high and low dropout rates;

(2) Input from nationally-known experts in the field of secondary education or dropout prevention;

(3) Development of statements synthesizing the literature and expert opinion regarding factors potentially associated with high and low dropout rates;

(4) Development of a site visit protocol which incorporates these factors in the data collection effort;

(5) The selection of four schools in North Carolina that have high dropout rates and of four schools that have low dropout rates, such that the schools are as evenly matched as possible with regard to size, socio-economic status of students, and any other variables thought important;

(6) Site visits to each of the eight schools for the purpose of reviewing pertinent documents, and interviewing principals, teachers, students, support service personnel, and parents in accordance with the previously developed site visit protocols;

(7) Analysis of the data so as to identify any patterns of factors that separate the high dropout schools from the low dropout schools; and

(8) Development and presentation of a report on this study. The report shall identify those current policies, procedures, and practices that should be continued since they appear related to retention of students in secondary schools and shall also identify those that should be discontinued since they appear related to relatively high proportion of dropouts in secondary schools.

(d) The study shall begin no later than October 1, 1987, and the final report shall be presented no later than May 15, 1988.

Sec. 19.2. There is appropriated from the General Fund to the General Assembly the sum of one hundred fifty thousand dollars ($150,000) for fiscal year 1987-88 for the study mandated by this Part. The cochairmen of the Joint Legislative Commission on Governmental Operations may in their discretion use such additional funds appropriated to the General Assembly as they deem necessary to complete the study mandated by this Part.

PART XIXA.-----JUDICIAL SELECTION STUDY COMMISSION

Sec. 19A.1. There is created a Judicial Selection Study Commission, to be composed of 20 members. The Governor shall appoint four members, at least two of whom shall be members of the General Assembly, at least two of whom shall be attorneys licensed to practice in North Carolina, and at least two of whom may not be attorneys. The Lieutenant Governor shall appoint four members, all of whom shall be members of the Senate. The Speaker of the House of Representatives shall appoint four members, all of whom shall be members of the House of Representatives. The Chief Justice shall appoint four members, one of whom shall be a Supreme Court Justice, one of whom shall be a Court of Appeals Judge, one of whom shall be a Superior Court Judge, and one of whom shall be a District Court Judge. The Attorney General shall appoint four members, two of whom shall be attorneys licensed to practice in North Carolina, and two of whom may not be attorneys.

Sec. 19A.2. The Commission should study the method of selecting Judges in North Carolina and recommend any changes needed to improve the system.

Sec. 19A.3. The President of the Senate and the Speaker of the House shall each designate a cochairman of the Commission.

Sec. 19A.4. The Commission may meet in the Legislative Building upon approval of the Legislative Services Commission and will be staffed by the Legislative Services Commission.

Sec. 19A.5. The Commission shall report its findings, and its recommendations for changes in the method for selection and retention of judges in North Carolina, if any, by February 15, 1989, to the Governor, the General Assembly, the Chief Justice, and the Attorney General. It may also make an interim report to those parties before the 1988 Session of the General Assembly.

Sec. 19A.6. The members of the Commission shall receive the same per diem and reimbursement for travel expenses as members of the General Assembly.

Sec. 19A.7. There is appropriated from the General Fund to the Judicial Selection Study Commission the sum of twenty-five thousand dollars ($25,000) for the 1987-1988 fiscal year to implement the provisions of this Part.

PART XX.-----MOVIE INDUSTRY STUDY COMMISSION

Sec. 20.1. The Motion Picture Industry Study Commission is created. The Commission shall consist of 20 members: 10 persons appointed by the President of the Senate and 10 persons appointed by the Speaker of the House. All initial appointments shall be made by

September 15, 1987. Vacancies on the Commission shall be filled in the same manner as initial appointments.

Sec. 20.2. The President of the Senate and the Speaker shall jointly call the initial meeting of the Commission.

Sec. 20.3. The Commission shall study the relationship of the State of North Carolina to the motion picture industry, and recommend ways the State can encourage the location of more of the industry in this State. The Commission shall also recommend an ongoing process for an interface between the industry and the State and its local governments.

Sec. 20.4. The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

Sec. 20.5. Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission. The Commission may meet in the Legislative Building or the Legislative Office Building, upon the approval of the Legislative Services Commission.

Sec. 20.6. Members of the Commission shall be paid subsistence and travel allowances as follows:

(1) Commission members who are also General Assembly members at the rate established in G.S. 120-3.1;

(2) Commission members who are also officials or employees of the State at the rate established in G.S. 138-6;

(3) All other Commission members at the rate established in G.S. 138-5.

Sec. 20.7. There is appropriated from the General Fund to the Legislative Services Commission for fiscal year 1987-88 the sum of fifty thousand dollars ($50,000) to fund the Commission created by this Part.

PART XXI.-----MENTAL HEALTH STUDY COMMISSION

Sec. 21.1. The Mental Health Study Commission, established and structured by 1973 General Assembly Resolution 80; Chapter 806, 1973 Session Laws; Chapter 185, 1975 Session Laws; Chapter 184, 1977 Session Laws; Chapter 215, 1979 Session Laws; 1979

General Assembly Resolution 20; Chapter 49, 1981 Session Laws, Chapter 268, Session Laws of 1983, and Chapter 792, Session Laws of 1985, is revived and authorized to continue in existence until July 1, 1989.

Sec. 21.2. The continued Mental Health Study Commission shall have all the powers and duties of the original Study Commission as they are necessary to continue the original study, to assist in the implementation of the original and succeeding Study Commission recommendations and to plan further activity on the subject of the study.

Sec. 21.3. Members and staff of the continued Mental Health Study Commission shall receive compensation and expenses as under the original authorization in the 1973 General Assembly Resolution 80. Expenses of the Commission shall be expended by the Department of Human Resources from Budget Code 14460 subhead 1110.

Sec. 21.4. In addition to other studies authorized by law, the Mental Health Study Commission shall:

(1) Have oversight, and review and make recommendations regarding the implementation of the Child Mental Health and Youth Substance Abuse Plans;

(2) Have oversight, review, and make recommendations regarding pioneer testing of funding policies;

(3) Examine the needs of North Carolina citizens suffering from severe and persistent mental illness and develop a comprehensive plan to provide a continuum of care to respond to those needs. The study and plan shall address: the need for development of appropriate community-based services, the quality of care and future role of regional psychiatric facilities, appropriate services for patients with serious criminal or violent behavior problems, continuity of care and interagency coordination of services, mental health insurance coverage, and other relevant concerns.

PART XXII.----- RANDLEMAN LAKE PROJECT STUDY COMMISSION

Sec. 22.1. Creation; membership. The Legislative Commission on the Randleman Lake Project is created. The Commission shall consist of ten members: five members appointed by the Speaker of the House of Representatives, at least one of whom shall be a member of the governing board of the Piedmont Triad Regional Water Authority, and five members appointed by the President of the Senate, at least one of whom shall be a member of the governing board of the Piedmont Triad Regional Water Authority. The appointing officers shall each name a cochairman from his

appointees. Vacancies shall be filled by the original appointing officers. The Commission shall meet on the joint call of the cochairmen.

Sec. 22.2. Staff, meeting place. The Commission may hire its own professional staff. Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional and clerical staff to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission. The Commission may meet in the State Legislative Building or the Legislative Office Building, upon the prior approval of the Legislative Services Commission.

Sec. 22.3. Compensation of Commission members. Members of the Commission shall be paid subsistence and travel expenses as follows:

(1) Commission members who are also General Assembly members at the rate established in G.S. 120-3.1;

(2) Commission members who are also officials or employees of the State at the rate established in G.S. 138-6;

(3) All other Commission members at the rate established in G.S. 138-5.

Sec. 22.4. Duties, reporting date. The Commission shall study:

(1) The contractual responsibilities of State departments in developing and planning recreation and water supply projects for local governments;

(2) Contracts required between the federal government and the State for the management of lands and waters of recreation and water supply projects;

(3) The feasibility of the Randleman Lake Project to include federal, State, and local funding responsibilities, water supply, recreation, and flood control capability; and

(4) The impact that development of the Randleman Lake Project may have on promoting tourism at the North Carolina Zoological Park in Asheboro.

Sec. 22.5. The Commission shall report the findings and recommendations of its study to the General Assembly by February 1, 1989.

Sec. 22.6. There is appropriated to the Legislative Service Office for the Legislative Commission on the Randleman Lake Project from the General Fund the sum of fifteen thousand dollars ($15,000) for fiscal year 1987-88 and the sum of eight thousand dollars ($8,000) for fiscal year 1988-89 to implement the provisions of this Part.

PART XXIII.----- EARLY EDUCATIONAL PROGRAM STUDY COMMISSION

Sec. 23.1. There is created the Early Educational Program Study Commission. The Commission shall consist of 10 members. The President of the Senate shall appoint five members. The Speaker of the House of Representatives shall appoint five members.

Sec. 23.2 All initial appointments shall be made on or before September 15, 1987. Vacancies shall be filled in the same manner as initial appointments.

Sec. 23.3. The President of the Senate and the Speaker of the House of Representatives shall each designate a cochairman of the Commission. The cochairmen shall alternate as presiding officers at the meetings, so that one cochairman shall preside at one meeting and the other cochairman shall preside at the next meeting.

Sec. 23.4. The Commission shall study State early educational programs, preschool services available to children and parents, the actual number of family day care providers, the types of preschool experiences available for three and four year old children, and the types of programs of other states, some of which may be a model for North Carolina.

Sec. 23.5. The Commission's first meeting shall be called by the cochairmen on or before October 1, 1987. The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate and the Speaker of the House of Representatives. The Commission shall make a final report to the 1989 General Assembly upon its convening. Upon filing its final report, the Commission shall terminate.

Sec. 23.6. Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission.

Sec. 23.7. The Commission may also employ additional professional, technical, and clerical assistance for itself, hire consultants which it may need, and contract for materials and services needed to perform its duties, in accordance with procedures adopted by the Division of Purchase and Contract. By request of the Commission or its consultants, all State departments and agencies shall furnish the Commission or its consultants with any information in their possession or available to them. Upon the approval of the Legislative Services Commission, the Commission may meet in the

Legislative Building or the Legislative Office Building.

Sec. 23.8. The Commission members shall receive no salary for their services but shall receive subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, 138-5, and 138-6 as applicable.

Sec. 23.9. There is appropriated from the General Fund to the Legislative Services Commission for the 1987-88 fiscal year the sum of twenty-five thousand dollars ($25,000) to fund the Commission.

PART XXIV.----- PROPERTY TAX APPRAISAL STUDY COMMISSION

Sec. 24.1. Study commission established; membership. There is established a Property Tax Appraisal Study Commission. The Commission shall consist of 16 members who are legislators at the time of their appointment and six other members as provided below. The President of the Senate shall appoint eight members of the Senate, and the Speaker of the House of Representatives shall appoint eight members of the House of Representatives to serve on the Commission. To aid the Commission in its study of property tax appraisals, six additional members shall be appointed as follows:

(1) The Speaker of the House shall appoint three members, one of whom is a county commissioner, one a county tax official, and one a citizen representing the public at large; and

(2) The President of the Senate shall appoint three members, one of whom is a county commissioner, one an elected municipal official, and one a citizen representing the public at large.

Sec. 24.2. All appointments shall be made in time for the Commission to begin its work by October 1, 1987. The Speaker of the House of Representatives and President of the Senate shall jointly call the first meeting to be held on a date no later than October 1, 1987.

Sec. 24.3. Selection of cochairs; vacancies. The President of the Senate and the Speaker of the House of Representatives shall each designate one of the legislative members appointed by them as cochair of the Commission. Original members appointed to the Commission shall serve until the Commission makes its final report. Vacancies on the Commission shall be filled in the same manner as the original appointments were made.

Sec. 24.4. Subject of study. The Commission shall make a detailed and comprehensive study of the system for appraising and reappraising real property for ad valorem taxation in North Carolina. The Commission shall examine all classes of real property in the property tax base and all aspects of the appraisal and reappraisal of the property, including standards for appraisal, dates for appraisal and

reappraisal, methods of appraisal and reappraisal, effectiveness and fairness of appraisal in each county, administration of real property appraisal, and review and appeals of appraised valuations. In examining the octennial revaluation system, the Commission shall evaluate the feasibility of any programs that would aid counties in conducting more frequent revaluations.

Sec. 24.5. Reports; termination. On or before March 1, 1989, the Commission shall submit a final written report of its recommendations to the General Assembly by filing the report with the Speaker of the House of Representatives and President of the Senate. If legislation is recommended, the Commission shall submit appropriate bills with its report. The Commission shall terminate upon filing its final report.

Sec. 24.6. Staff. The Commission shall consult with tax officials in State and local government. With the prior approval of the Legislative Services Commission, the Commission may obtain clerical and professional assistance from the Legislative Services Office. The Commission may also obtain assistance from the Department of Revenue.

Sec. 24.7. Meeting place. With the prior approval of the Legislative Services Commission, the Commission shall meet in the State Legislative Building or the Legislative Office Building.

Sec. 24.8. Members' reimbursement. Commission members who are legislators shall be paid subsistence and travel allowances at the rates established for members of the General Assembly in G.S. 120-3.1. Other Commission members shall be paid subsistence and travel allowances at the rates established in G.S. 138-5.

Sec. 24.9. Funds. There is appropriated from the General Fund to the Legislative Services Commission the sum of twenty-five thousand dollars ($25.000) for the 1987-88 fiscal year to fund the Property Tax Appraisal Study Commission. The funds shall not revert at the end of the 1987-88 fiscal year but shall remain available until the termination of the Study Commission.

PART XXV.-----COMMISSION ON CHILDREN AND YOUTH

Sec. 25.1. Chapter 120 of the General Statutes is amended by adding a new Article to read:

"Article 12B.

"Commission on Children and Youth.

"§ *120-70.7. Creation; appointment of members.*--There is created a Commission on Children and Youth with 15 members to be appointed as follows: five members by the President of the Senate, five members by the Speaker of the House of Representatives, and five by the Governor. Of the members appointed by the President of the

Senate, three shall be members of the Senate at the time of their appointment, one shall be an attorney, and one shall be a parent of a child under 16. Of the members appointed by the Speaker of the House of Representatives, three shall be members of the House of Representatives at the time of their appointment, one shall be a physician licensed to practice in North Carolina and actively involved in the private practice of pediatrics, and one educator actively involved in special education. Of the five appointed by the Governor, one shall be an attorney, one shall be an educator actively involved in the education of children, one shall be a parent of a child with special needs, one shall be a physician, and one shall be a member of the public.

"§ *120-70.8. Time of appointments; terms of office.*--Appointments to the Commission shall be made within 15 days subsequent to the close of each regular session of the General Assembly. The term of office shall begin on the day of appointment, and shall end on the date when the next appointments are made. Terms shall be for two years. Members may be appointed for two consecutive terms and may be reappointed after being off the Commission for two years. Vacancies occurring during a term shall be filled for the unexpired term by the officer who made the original appointment.

"§ *120-70.9. Organization of Commission.*--Upon its appointment, the Commission shall organize by electing from its membership a chairman and a vice-chairman. The Commission shall meet at such times and places as the chairman shall designate. With the approval of the Legislative Services Commission, the facilities of the State Legislative Building and the Legislative Office Building shall be available to the Commission. The Commission is authorized to conduct hearings and to contract for and employ such clerical and other assistance, professional advice and services as may be deemed necessary in the performance of its duties, with the approval of the Legislative Services Commission.

"§ *120-70.10. Members to serve without compensation; subsistence and travel expenses.*--Members of the Commission shall serve without compensation but they shall be paid such subsistence, per diem, and travel expenses as are provided for members of State boards and commissions generally pursuant to G.S. 138-5 and G.S. 138-6. The Commission shall be funded by the Legislative Services Commission from appropriations made to the General Assembly for that purpose.

"§ *120-70.11. Assistance to Commission.*--The Commission, in the performance of its duties, may request and shall receive from every department, board, bureau, agency, commission, or institution of this State, or from any political subdivision of the State, information, cooperation, and assistance.

"§ *120-70.12. Duties of Commission.*--The Commission is hereby authorized to:

(1) Pursue an in-depth study of the services provided by other states for children.

(2) Collect and evaluate for comprehensiveness existing legislation in North Carolina that is relevant to programs for children as well as pertinent reports, studies and findings from other states, national bodies, State agencies, advocacy groups, and other interested persons.

(3) Collect and evaluate for comprehensiveness the reports and recommendations of the various agencies, councils, commissions, committees, and associations existing in North Carolina whose primary or partial duties are to make recommendations designed to affect services for children.

(4) Monitor on a continuing basis the progress of the State as it moves toward meeting the service requirements for children with special needs.

(5) Recommend legislation.

(6) Evaluate budget trends.

"§ *120-70.13. Reports to General Assembly.*--The Commission shall make a written report to the General Assembly not later than February 1 of each odd-numbered year. This report shall include an analysis of the Commission's study, including any legislative recommendations.

"§ *120-70.14. Assistance of State Departments.*--The Department of Human Resources, the Department of Public Education, the Department of Justice, and the Department of Crime Control and Public Safety are declared vital departments of State government to especially assist the Commission and to furnish it with information, and to the extent permitted by the Commission, to actively participate in the work and deliberations of the Commission."

Sec. 25.2. There is appropriated from the General Fund to the Legislative Services Commission the sum of fifty thousand dollars ($50,000) for the 1987-88 fiscal year, to implement this Part.

PART XXVI.----- ADOPTIONS/SURROGATE PARENTHOOD STUDY COMMISSION

Sec. 26.1. There is created the Adoptions and Surrogate Parenthood Study Commission. The Commission shall consist of 25 members. The President of the Senate shall appoint 10 members as follows: four shall be members of the Senate; one shall be a county social services director; one shall be the director of a private licensed child placing agency; one shall be an attorney experienced in adoptions matters; one shall be a physician practicing medicine in North Carolina; one shall be an adoptions worker in a private licensed

child placing agency; and one shall be a clerk of superior court. The Speaker of the House of Representatives shall appoint 10 members as follows: four shall be members of the House of Representatives; one shall be a county social services director; one shall be the director of a private licensed child placing agency; one shall be a member of the clergy; one shall be an attorney who represents an adoption agency; one shall be an adoptions worker in a county department of social services; and one shall be a clerk of superior court. The Governor shall appoint five members as follows: one shall be the Director of the North Carolina Division of Social Services or the Director's designee; one shall be an attorney on the staff of the Attorney General's office knowledgeable in adoptions law; one shall be an adoptive parent; one shall be the birth parent of a child placed for adoption; and one shall be an adopted person.

Sec. 26.2. All initial appointments shall be made on or before September 15, 1987. Vacancies shall be filled in the same manner as initial appointments.

Sec. 26.3. The President of the Senate and the Speaker of the House of Representatives shall each designate a cochairman of the Commission. The cochairmen shall alternate as presiding officers at the meetings.

Sec. 26.4. The Commission shall study State adoptions practices, the adoptions statutes and related laws in North Carolina, and adoptions practices and laws of other states, some of which may be a model for North Carolina. The Commission shall also study the issues relevant to surrogate parenthood to determine whether legal guidelines are needed to ensure that the needs and rights of parties who enter into surrogate parenthood arrangements are protected.

Sec. 26.5. The Commission's first meeting shall be called by the cochairmen and held on or before October 1, 1987. The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the report with the President of the Senate, the Speaker of the House of Representatives, and the Governor. Upon filing its final report, the Commission shall terminate.

Sec. 26.6. Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission.

Sec. 26.7. The Commission may also employ additional professional, technical, and clerical assistance for itself, hire consultants which it may need, and contract for materials and services

needed to perform its duties, in accordance with procedures adopted by the Division of Purchase and Contract. With consent of the Secretary of Human Resources, staff personnel from the Department of Human Resources and any of its divisions may be assigned permanently or temporarily to assist the Commission or its consultants. By request of the Commission or its consultants, all State departments and agencies shall furnish the Commission or its consultants with any information in their possession or available to them. The Commission may meet in the Legislative Building or the Legislative Office Building.

Sec. 26.8. The Commission members shall receive no salary for their services but shall receive subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, 138-5, and 138-6 as applicable.

Sec. 26.9. There is appropriated from the General Fund to the Legislative Services Commission for the 1987-88 fiscal year the sum of twenty-five thousand dollars ($25,000) to fund the Commission. Unexpended funds at the end of the 1987-88 fiscal year shall not revert but shall remain in the budget to fund the Commission until it terminates. Upon termination of the Commission, any unexpended funds shall revert to the General Fund.

PART XXVII.-----SEAFOOD STUDY COMMISSION

Sec. 27.1. The Seafood Study Commission is created. The Commission shall consist of 11 members: three Senators appointed by the President of the Senate; three Representatives appointed by the Speaker of the House; three members appointed by the Governor; and two members appointed by the Commissioner of Agriculture. All initial appointments shall be made by September 15, 1987. Vacancies on the Commission shall be filled in the same manner as initial appointments.

Sec. 27.2. The President shall designate one Senator as cochairman and the Speaker shall designate one Representative as cochairman. The cochairmen shall call the initial meeting of the Commission.

Sec. 27.3. The Commission shall study the current seafood industry in North Carolina. This study shall include studies of the feasibility of increasing the State's production, processing, and marketing of seafood and of increasing the role of aquaculture in North Carolina. The Commission may also consider any other issues relevant to the study of the State's seafood industry.

Sec. 27.4. The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before the first day of the 1989 Session of the General Assembly by filing the

report with the President of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

Sec. 27.5. Upon the approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission. The Commission may meet in the Legislative Building or the Legislative Office Building.

Sec. 27.6. Members of the Commission shall be paid subsistence and travel allowances as follows:

(1) Commission members who are also General Assembly members at the rate established in G.S. 120-3.1;

(2) Commission members who are also officials or employee of the State at the rate established in G.S. 138-6;

(3) All other Commission members at the rate established in G.S. 138-5.

Sec. 27.7. There is appropriated from the General Fund to the Legislative Services Commission for the 1987-88 fiscal year the sum of fifteen thousand dollars ($15,000) to fund the Commission. Unexpended funds at the end of the 1987-88 fiscal year shall not revert but shall remain in the budget to fund the Commission until it terminates. Upon termination of the Commission, any unexpended funds shall revert to the General Fund.

PART XXVIII.-----YOUTH SUICIDE STUDY COMMISSION

Sec. 28.1. There is created the Youth Suicide Study Commission.

Sec. 28.2. Duties of the Commission. The Commission shall study the issues and causal factors associated with the serious problem of youth suicide. Among the issues to be studied are the following:

(1) The causal factors of youth suicide;

(2) The relationship of youth suicide to drug addiction and substance abuse;

(3) The relationship between child abuse and suicidal behavior;

(4) Effective monitoring of suicidal youth in county and State institutions;

(5) Treatment and intervention programs for high risk youth;

(6) State and federal funding for the prevention of youth suicide, and the treatment of high risk youth;

(7) The extent to which coordination of services exists among State agencies and the scope of services provided regarding prevention

and intervention; and

(8) The necessity for a State plan for the development, coordination and delivery of a comprehensive system of services for high risk youth.

Sec. 28.3. The Commission shall consist of 13 members, as follows:

(1) The Secretary of Human Resources shall serve ex officio;

(2) The Superintendent of Public Instruction shall serve ex officio;

(3) Two members of the House of Representatives appointed by the Speaker of the House;

(4) Two members of the Senate appointed by the President of the Senate;

(5) One representative of the Mental Health Study Commission to be appointed by the Chairman of the Mental Health Study Commission;

(6) Two members at large appointed by the Speaker of the House;

(7) Two members at large appointed by the President of the Senate;

(8) Two members at large appointed by the Governor.

Sec. 28.4. Vacancies shall be filled in the same manner as initial appointments. All initial appointments shall be made within one calendar month from the effective date of this act.

Sec. 28.5. The Commission shall have its initial meeting no later than October 1, 1987, at the call of the Speaker of the House and the President of the Senate. The Speaker of the House and the President shall each appoint a cochairman from the membership of the Commission. The membership shall meet upon the call of the cochairmen.

Sec. 28.6. The Commission members shall receive no salary for serving but shall receive necessary subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, 138-5, and 138-6 as applicable.

Sec. 28.7. The Commission may hold public meetings across the State to solicit public input with respect to the issues of youth suicide.

Sec. 28.8. The Commission shall have the authority to obtain information and data from all State officers, agents, agencies, and departments while in the discharge of its duties, pursuant to the provisions of G.S. 120-19 as if it were a committee of the General Assembly. The Commission shall have the authority to call witnesses, compel testimony relevant to any matter properly before the Commission, and subpoena records and documents provided that any

patient record shall have patient identifying information removed. The provisions of G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Commission as if it were a joint committee of the General Assembly. In addition to the other signatures required for the issuance of a subpoena under this section, the subpoena shall also be signed by the cochairmen of the Commission. Any cost of providing information to the Commission not covered by G.S. 120-19.3 may be reimbursed by the Commission from funds appropriated by this act for the Commission's study.

Sec. 28.9. The Commission shall report to the General Assembly and the Governor the results of its study and recommendations. The final report and recommendations shall be submitted prior to the 1989 Session of the General Assembly.

Sec. 28.10. There is appropriated from the General Fund to the Legislative Services Commission the sum of twenty-five thousand dollars ($25,000) for the 1987-88 fiscal year to fund the study authorized by this Part.

Sec. 28.11. At the request of the Commission the Legislative Services Commission may supply members of the staff of the Legislative Services Office and clerical assistance to the Commission as it deems appropriate.

Sec. 28.12. The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building.

PART XXIX.------HIGHWAY STUDY COMMISSION

Sec. 29.1. There is established the Highway Study Commission. The Commission shall be composed of 15 members, as follows:

(1) Five members appointed by the President of the Senate;

(2) Five members appointed by the Speaker of the House; and

(3) Five members representing the public and business sectors appointed by the Governor.

Sec. 29.2. Any vacancy shall be filled by the appointing authority who appointed the person causing the vacancy. All initial appointments shall be made within one calendar month from the effective date of this act. The Commission shall have its initial meeting no later than October 1, 1987. Cochairmen of the Commission shall be appointed from the membership.

Sec. 29.3. The Commission members shall receive no salary for serving on the Commission but shall receive necessary subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5 and G.S. 138-6, as applicable.

Sec. 29.4. The Commission shall study the following:

(1) Review and validate present and future highway funding needs;

(2) Evaluate the economic impact of the highway system on the State and its various regions;

(3) Review and develop recommendations to assure that the highway funds are allocated to meet the identified needs and address the overall growth and economic goals of the State;

(4) Recommend both short range and long range funding solutions with particular emphasis on the separation of General Fund and Highway Fund revenue bases and sources.

Sec. 29.5. The Commission shall submit a final report to the 1989 General Assembly, Regular Session 1990, prior to its convening date. Upon filing the report, the Commission shall terminate.

Sec. 29.6. There is appropriated from the General Fund to Legislative Services Commission the sum of twenty-five thousand dollars ($25,000) for the 1987-88 fiscal year and the sum of twenty-five thousand dollars ($25,000) for the 1988-89 fiscal year for the study authorized by this Part.

Sec. 29.7. At the request of the Commission, the Legislative Services Commission may supply members of the staff of the Legislative Services Office and clerical assistance to the Commission as it deems appropriate.

Sec. 29.8. Adequate staff and funding should be provided to allow a full and complete study of all facets of highway funding.

Sec. 29.9. The Commission may, with the approval of the Legislative Services Commission, meet in the State Legislative Building or the Legislative Office Building.

PART XXX.-----TAX FAIRNESS STUDY COMMISSION

Sec. 30.1. Commission created. There is created the Special Legislative Commission on Fairness in Taxation. The Commission shall comprehensively study and evaluate all the revenue and tax laws of the State and any related questions and shall recommend any changes to those laws it may deem desirable.

Sec. 30.2. Appointment of members. The Commission shall consist of 14 members appointed as follows:

(1) Four members of the Senate appointed by the President of the Senate, one of whom shall be designated as cochairman;

(2) Three public members appointed by the President of the Senate;

(3) Four members of the House of Representatives appointed by the Speaker of the House of Representatives, one of whom shall be designated as cochairman;

(4) Three public members appointed by the Speaker of the House of Representatives.

Sec. 30.3. Members of the Commission who are also members of the General Assembly shall be paid subsistence and travel expenses at the rate set forth in G.S. 120-3.1. Members of the Commission who are officials or employees of the State shall receive travel allowances at the rate set forth in G.S. 138-6. All other members of the Commission shall be paid per diem and allowances at the rates set forth in G.S. 138-5.

Sec. 30.4. Funding. There is appropriated from the General Fund to the General Assembly the sum of thirty thousand dollars ($30,000) for the 1987-88 fiscal year and the sum of fifty thousand dollars ($50,000) for the 1988-89 fiscal year for the Special Legislative Commission on Fairness in Taxation. Funds appropriated for the Commission for the 1987-88 fiscal year but not expended for that purpose may be expended during the 1988-89 fiscal year.

Sec. 30.5. Staffing. The Commission, with the prior approval of the Legislative Services Commission, may use the staff of the Fiscal Research Division of the Legislative Services Office. The Commission may also use the staff of the Department of Revenue. The Commission may also employ clerical staff and professional staff and hire consultants to assist it in its work.

Sec. 30.6. Reports. The Commission shall make a final report to the Governor, the President of the Senate, and the Speaker of the House of Representatives upon the convening of the 1989 General Assembly. The Commission, in its discretion, may make interim reports.

Sec. 30.7. Termination of the Commission. The Commission shall terminate upon filing its final report with the Governor, the President of the Senate, and the Speaker of the House of Representatives.

PART XXXA.----- APPROPRIATION FOR SURVEY FOR VETERANS' CEMETERIES

Sec. 30A.1. There is appropriated from the General Fund fifty thousand dollars ($50,000) for fiscal year 1987-1988 to the Department of Administration Division of Veterans Affairs to survey and appraise potential sites for veterans cemeteries in North Carolina.

PART XXXB.-----SCHOOL EMPLOYEES SALARY COMMISSION

Sec. 31B.1. Section 59 of Chapter 1014 of the 1985 Session Laws (1986, Regular Session) is amended by:

(1) in subsection (a)(3) by deleting the year "1987" and inserting "1988".

PART XXXI.-----EFFECTIVE DATE

Sec. 31. This act is effective on July 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 897 **CHAPTER 874**

AN ACT TO ALLOW THE DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY TO CONTROL AND MANAGE BUTNER PUBLIC SAFETY VEHICLES THE SAME AS IT DOES HIGHWAY PATROL VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-341(8)i.3. reads as rewritten:

"3. To require on a schedule determined by the Department all State agencies to transfer ownership, custody or control of any or all passenger motor vehicles within the ownership, custody or control of that agency to the Department, except those motor vehicles under the ownership, custody or control of the Highway Patrol or the State Bureau of Investigation which are used primarily for law-enforcement purposes, and except those motor vehicles under the ownership, custody or control of the Department of Crime Control and Public Safety for Butner Public Safety which are used primarily for law-enforcement, fire, or emergency purposes."

Sec. 2. This act shall become effective October 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1066 **CHAPTER 875**

AN ACT TO FACILITATE CONSTRUCTION OF RANGER'S RESIDENCES.

The General Assembly of North Carolina enacts:

Section 1. (a) If the State owns an appropriate design for a ranger's residence or if the Department of Natural Resources and Community Development, Division of Parks and Recreation, intends to use a modular unit for a ranger's residence, the Department of Natural Resources and Community Development, Division of Parks and Recreation may contract for and supervise all aspects of architecture, engineering, and construction of that ranger's residence, including examination and approval of all changes in plans and specifications made after the contract for work has been awarded, without being subject to the requirements of the following:

(1) G.S. 143-128 and 143-132, and rules implementing those statutes;

(2) G.S. 143-31.1 and 143-341(3) and rules implementing that statute; provided, however, the Department of Administration shall, if the Department of Natural Resources and Community Development, Division of Parks and Recreation so requests, assist the Division in the prefinal and final inspections of the ranger's residence;

(3) State Statutes, rules, and executive orders referred to in Chapter 2, Section 203.1 b. 16 a), b), d), and f) of the North Carolina Construction Manual (6th Edition) prepared by the Division of State Construction, North Carolina Department of Administration.

Funds appropriated for a ranger's residence for which the State owns an appropriate design or for which the Department of Natural Resources, Division of Parks and Recreation, intends to use a modular unit shall be allotted by the Director of the Budget within 60 days of the effective date of the appropriation.

The provisions of G.S. 143-135.3 shall apply to contracts entered into pursuant to this section.

If State employees are not available to adapt a State-owned design for a ranger's residence for a particular use or to fit a modular unit for a particular use for a ranger's residence, the Department of Natural Resources and Community Development, Division of Parks and Recreation may use funds appropriated to design ranger's residences to hire a consultant to adapt the State-owned design or to fit the modular unit to the use.

(b) The Department of Natural Resources and Community Development, Division of Parks and Recreation, shall report to the Joint Legislative Commission on Governmental Operations prior to entering into any contracts for or performing any work on a project subject to the provisions of this act. The report shall include a description of any contracts the Division intends to enter into for the project, a description of any work the Division intends to perform on the project, the projected cost of the project and the schedule for completion of the project.

Sec. 2. This act shall become effective October 1, 1987, and shall remain in effect until June 30, 1989.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 2 **CHAPTER 876**

AN ACT TO MAKE MISCELLANEOUS CHANGES TO THE STATE BUDGET FOR THE 1987-89 FISCAL BIENNIUM.

The General Assembly of North Carolina enacts:

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- TECHNICAL CORRECTIONS/LOCAL DISCRETIONARY FUNDS

Section 1. Section 6 of Chapter 830 of the 1987 Session Laws is amended as follows:

(a) Paragraph H59 is amended by deleting the words "Twenty thousand dollars ($20,000)" and substituting the words "Ten thousand dollars ($10,000)".

(b) Paragraph H426 is amended by deleting the words "Town of Williamston" and substituting the phrase "Friends of Old Martin County Courthouse, Inc.,".

(c) Paragraph H951 is amended by deleting the words "Twenty thousand dollars ($20,000)" and substituting the words "Sixty thousand dollars ($60,000)".

(d) By adding a new paragraph to read:

"H1343 MITCHELL COUNTY SCHOOL PROGRAMS FUNDS

Ten thousand dollars ($10,000) to the Mitchell County Board of Education, seven thousand dollars ($7,000) to be allocated for the promotion of its high schools' physical education, athletic, and band programs and three thousand dollars ($3,000) to be allocated as startup funding for the After-School Child-Care Program at Tipton Hill School. The Mitchell County Board of Education shall distribute the seven thousand dollars ($7,000) allocation among the high schools based on their average daily membership in grades 9 through 12. The funds shall be expended in the discretion of the high schools for their physical education, athletic, and band programs."

(e) Paragraph H1630 is amended by deleting the words "Durham County Commission on the Status of Women" and substituting the words "Durham County Women's Commission".

(f) Paragraph H1649 is rewritten to read:

"H1649 HAROLD D. COOLEY LIBRARY FUNDS

Five thousand dollars ($5,000) to the Harold D. Cooley Library in Nash County for renovations to the library and for the construction of an addition to the library."

(g) Paragraph H1651 is amended by deleting the words "the Thomas Hackney Braswell Memorial Library for".

(h) Paragraph H1699 is amended by rewriting the second sentence to read:

"Ten thousand dollars ($10,000) to King Outreach Ministry, Inc., to assist low-income people in time of crisis and to renovate its services building."

(i) Paragraph H1792 is amended by adding a second sentence to read:

"Five thousand dollars ($5,000) to the Flora Macdonald Educational Foundation, Inc., for the maintenance and preservation of the historical Flora Macdonald College in Red Springs."

(j) Paragraph H1820 is amended in the thirteenth sentence by deleting the words "Caswell County" and substituting the words "Lenoir County".

(k) Paragraph H1827 is amended by deleting the phrase "Seven thousand dollars ($7,000)" and substituting the phrase "Five thousand dollars ($5,000)".

(l) Paragraph H1837 is deleted in its entirety.

(m)Paragraph H1908 is amended by deleting the words "Cumberland County" and substituting the words "Southeastern Cumberland County Rural Community, Association, Inc."

(n) Paragraph H1948 is rewritten to read:

"H1948 SPECIAL OLYMPICS FUNDS

Four thousand dollars ($4,000) to Cleveland County for the Special Olympics Program in Cleveland County."

(o) By adding a new paragraph to read:

"H1959 HOKE COMMUNICATIONS FUNDS

Seven thousand five hundred dollars ($7,500) to Hoke County to upgrade the county's communication equipment."

(p) Paragraph H2033 is amended by deleting the phrase "Twelve thousand dollars ($12,000)" and substituting the phrase "Ten thousand dollars ($10,000)".

(q) Paragraph H2080 is amended by rewriting the first sentence to read: "Ten thousand dollars ($10,000) to The Garner Road Young Men's Christian Association, Incorporated, to continue its family and youth counseling program."

(r) By adding a new paragraph to read:

"H2104 SOUTHEASTERN CUMBERLAND RURAL FUNDS

Four thousand dollars ($4,000) to Southeastern Cumberland County Rural Community, Association, Inc., for community projects including after-school programs, programs for adults and senior citizens, playground equipment and classroom air conditioners."

(s) Paragraph S959 is rewritten to read:

"S959 ROGER PAGE CENTER FUNDS

Forty thousand dollars ($40,000) to the City of Winston-Salem for the Roger Page Business and Technical Center, to encourage and develop the region's small business economy."

(t) Paragraph S1005 is amended by deleting the phrase "Seven thousand five hundred dollars ($7,500)" and by substituting "Two thousand five hundred dollars"

(u) Paragraph S1007 is amended by deleting the phrase "Thirty thousand dollars ($30,000)" and substituting the phrase "Twenty-five thousand dollars ($25,000)".

(v) Paragraph S1235 is amended by rewriting the last sentence to read:

"Five thousand dollars ($5,000) for the Creedmoor Rescue Squad, for operating expenses and for equipment."

(w) Paragraph S1254 is rewritten to read:

"S1254 GARNER SENIOR CENTER FUNDS

Three thousand two hundred fifty dollars ($3,250) to The Garner Senior Center, Inc., for services for senior citizens, and for a Senior Citizens' facility."

(x) Paragraph S1291 is rewritten to read:

"S1291 CHATHAM WHITE PINES FUNDS

Two thousand five hundred dollars ($2,500) to the Triangle Land Conservancy to purchase a wilderness tract in Chatham County, known as White Pines."

(y) Paragraph S1305 is amended by deleting the words "Town of Marshall" and substituting the words "Town of Madison".

(z) Paragraph S1370 is rewritten to read:

"S1370 TRIANGLE LAND CONSERVANCY FUNDS

Two thousand five hundred dollars ($2,500) to the Triangle Land Conservancy to purchase a wilderness tract in Chatham County, known as White Pines."

(aa) Paragraph S1414 is deleted.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- SMALL FARM MARKETING FUNDS

Sec. 2. (a) Paragraph H242 of Section 6 of Chapter 830 of the 1987 Session Laws is amended by deleting the language "two hundred thousand dollars ($200,000)" and substituting "three hundred twenty-five thousand dollars ($325,000)".

(b) Paragraph S1248 of Section 6 of Chapter 830 of the 1987 Session Laws is amended by deleting the language "two hundred thousand dollars ($200,000)" and substituting "three hundred twenty-five thousand dollars ($325,000)".

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- TEACHER EFFECTIVENESS TRAINING STIPEND/ APPLICABILITY CLARIFIED

Sec. 3. Section 207 of Chapter 738 of the 1987 Session Laws reads as rewritten:

"Sec. 207. Funds in the amount of nine million sixty-eight thousand dollars ($9,068,000) are appropriated in Section 2 of this act to the Department of Public Education to provide a stipend of two hundred fifty dollars ($250.00) to each certified public school employee who:

(1) (i) while employed by a North Carolina public school, successfully completed the effective teacher training program, (ii) has not yet received a stipend, and (iii) will be teaching in or on leave from the North Carolina public schools during the 1987-88 school year; or

(2) (i) was employed in the North Carolina public schools full time as a State-paid teacher during the 1986-87 school year and (ii) successfully completes the effective teacher training program prior to June 1, 1988.

This section does not authorize the payment of a stipend to a teacher who is employed for the first time as a full-time State-paid teacher in the North Carolina public schools during the 1987-88 school year.

Notwithstanding any other provision of law, this stipend shall be considered a general expense item and not subject to social security or State retirement."

Requested by: Sen. Plyler

----- ANSON TC WATER AND SEWER LINE FUNDS

Sec. 4. The funds allocated to Anson Technical College in Section 19 of Chapter 795 of the 1987 Session Laws are reallocated to the Anson County Board of County Commissioners. These funds shall be used to extend the sewer line from the Anson County sewer line on U.S. Highway 74 westward to Anson Technical College.

Requested by: Rep. John Hunt

----- ISOTHERMAL CC MATCHING REQUIREMENT/ CORRECTION

Sec. 5. Section 22.1 of Chapter 795 of the 1987 Session Laws is amended by deleting the language "1985 General Assembly" and substituting "1983 General Assembly".

Requested by: Rep. Bob Etheridge

----- HARNETT SATELLITE/NO MATCH

Sec. 6. Funds allocated to Central Carolina Technical College for capital projects for the Harnett Satellite in Section 19 of Chapter 795 of the 1987 Session Laws are not subject to any matching requirement.

Requested by: Sen. Plyler
----- REPEAL SUBSTANCE ABUSE PROGRAM CHANGES

Sec. 7. Section 13 of Chapter 830 of the 1987 Session Laws is repealed.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- EXPANSION OF COMMUNITY PENALTIES PROGRAM

Sec. 8. The two hundred five thousand eight hundred dollars ($205,800) appropriated to the Department of Crime Control and Public Safety for expansion of the community penalties program shall be used during the 1987-88 fiscal year to expand the community penalties program by adding four new programs, one to be located in each of the following districts: District 14, District 15B, District 27A, and the Eastern Division, to further expand the existing nine programs, and to provide administrative cost for the existing and the new programs.

Requested by: Rep. Hunter
----- LAKE JAMES STATE PARK

Sec. 9. (a) Pursuant to the provisions of Chapter 243 of the 1987 Session Laws, the General Assembly creates and establishes Lake James State Park as a State recreation area in the State Park System.

(b) The Department of Administration and the Department of Natural Resources and Community Development shall immediately proceed in the acquisition and development of property for Lake James State Park, within appropriated funds. Both departments shall report quarterly to the Joint Legislative Commission on Governmental Operations, beginning August of 1987, on their progress.

(c) The Department of Natural Resources and Community Development, Division of Parks and Recreation, may contract for and supervise all aspects of architecture, engineering, and construction of Lake James State Park as a pilot project, including examination and approval of all changes in plans and specifications made after the contract for work has been awarded, without being subject to the requirements of the following:

(1) G.S. 143-128 and 143-132, and rules implementing those statutes;

(2) G.S. 143-31.1 and 143-341(3) and rules implementing that statute; provided, however, the Department of Administration shall, if the Department of Natural

Resources and Community Development, Division of Parks and Recreation so requests, assist the Division in the prefinal and final inspections of Lake James State Park;

(3) State Statutes, rules, and executive orders referred to in Chapter 2, Section 203.1 b. 16 a), b), d), and f) of the North Carolina Construction Manual (6th Edition) prepared by the Division of State Construction, North Carolina Department of Administration.

The provisions of G.S. 143-135.3 shall apply to contracts entered into pursuant to this section.

If State employees are not available to adapt a State-owned design for Lake James State Park, the Department of Natural Resources and Community Development, Division of Parks and Recreation, may use funds appropriated to hire a consultant to adapt the State-owned design.

(d) The Department of Natural Resources and Community Development, Division of Parks and Recreation, shall report to the Joint Legislative Commission on Governmental Operations prior to entering into any contracts for or performing any work on a project subject to the provisions of this act. The report shall include a description of any contracts the Division intends to enter into for the project, a description of any work the Division intends to perform on the project, the projected cost of the project and the schedule for completion of the project.

Requested by: Rep. Hunter
----- PARK LANDS FUNDS

Sec. 10. Section 32 of Chapter 795 of the 1987 Session Laws, as amended by Chapter 830 of the 1987 Session Laws is further amended by adding a new subdivision to read:

"(2b) The sum of eighty thousand dollars ($80,000) for the 1987-88 fiscal year and the sum of one hundred thousand dollars ($100,000) for the 1988-89 fiscal year shall be used for the operation of the State Park at Lake James; and".

Requested by: Rep. Bruce Ethridge
----- PURCHASE OF NATURAL AREAS

Sec. 11. Section 32(3) of Chapter 795 of the 1987 Session Laws is amended in the first sentence by inserting between the word "purchase" and the word "the" the words "natural areas and".

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- APPROPRIATIONS REPORTS

Sec. 12. G.S. 143-15 is amended by adding the following at the end:

"Reports to or of the appropriations committees or their subcommittees indicate action by the General Assembly when they are used in preparation of or amendment to appropriations acts."

Sec. 12.1 Funds allocated to Sampson Technical College for capital projects in Section 19 of Chapter 795 of the 1987 Session Laws are not subject to any matching requirement.

Requested by: Sen. Walker, Rep. Nye

----- CURRENT OPERATIONS BLOCK GRANT CORRECTIONS

Sec. 13. (a) The appropriation of Low Income Energy Block Grant Funds in Section 4 of Chapter 738 of the 1987 Session Laws is amended by reducing the amount in item 06. by eight hundred seventy-six thousand eight hundred sixty-one dollars ($876,861) to eight hundred seventy-six thousand six hundred ninety-three dollars ($876,693) and adding a new item to read:

"09. Transfer to Maternal and Child Health Block Grant for Family Planning Services in Local Health Departments $876,861".

(b) The appropriation of Maternal and Child Health Services funds in Section 4 of Chapter 738 of the 1987 Session Laws is amended by increasing the amount in item 01. by eight hundred seventy-six thousand eight hundred sixty-one dollars ($876,861) to $10,467,980 and by increasing the total accordingly to $15,922,813.

(c) The appropriation of Social Services Block Grant funds in Section 4 of Chapter 738 of the 1987 Session Laws is amended by increasing the amount in item 14. by five hundred fifty-eight thousand five hundred twelve dollars ($558,512) to $720,141, and increasing the total accordingly to $70,842,385.

Requested by: Rep. B. Brown

----- ADAP PROGRAM FUNDS MODIFICATION

Sec. 14. Section 66(1) of Chapter 830 of the 1987 Session Laws reads as rewritten:

"(1) One hundred thousand dollars ($100,000) for the Roanoke-Chowan Human Services Center as a grant-in-aid to the Roanoke-Chowan Sheltered Workshop for operating and production ~~expenses.~~ expenses and for renovation of the Roanoke-Chowan Human Services Facilities;"

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- WARRANTS FOR CERTAIN APPROPRIATIONS

Sec. 15. Other than those to State agencies, the Office of State Budget and Management shall draw warrants for appropriations made by the 1987 General Assembly, and send them no later than November 1, 1987, by U.S. Mail to the entity entitled to receive them, at the address supplied by the Fiscal Research Division, unless matching fund requirements or other legal requirements have not been met. In those instances the warrants shall be sent under the same procedure as soon as the requirements have been met.

Requested by: Sen. Royall

----- DURHAM Y.W.C.A. RAPE CRISIS CHILD SERVICES FUNDS

Sec. 16. There is appropriated from the General Fund to the Young Women's Christian Association of Durham, N.C., Inc., the sum of thirty-seven thousand five hundred dollars ($37,500) for the 1987-88 fiscal year for the Rape Crisis Center Child Services Program.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- FLAT ROCK THEATER FUND USAGE

Sec. 17. Funds appropriated for the Office of State Budget and Management in the amount of twenty-five thousand dollars ($25,000) in Chapter 830 of the 1987 Session Laws as a grant-in-aid to the State Theater of North Carolina at Flat Rock may be used for capital and operating expenses of the Flat Rock Playhouse.

Requested by: Rep. Barnes

----- SATELLITE JAIL GRANT FUND PLANNING

Sec. 17.1. The Office of State Budget and Management may proceed to plan for the implementation of the satellite jail grant program in accordance with Chapter 207 Session Laws of 1987. Staff time devoted to this planning shall be absorbed within the funds appropriated to the Office of State Budget and Management for fiscal year 1987-88.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- ADVANCE PLANNING/SBI LAB

Sec. 18. There is appropriated from the General Fund to the Department of Justice the sum of four hundred thousand dollars ($400,000) for the 1987-88 fiscal year for advance planning of a State Bureau of Investigation laboratory.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- ALE DIVISION FUNDS

Sec. 20. Effective October 1, 1987, there is appropriated from the General Fund to the Department of Crime Control and Public Safety the sum of three million six hundred eighty-six thousand three hundred sixty-six dollars ($3,686,366) for the remainder of the 1987-88 fiscal year to cover the operating expenses of the Alcohol Law Enforcement Division.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- DEPUTY PRESIDENT PRO TEMPORE

Sec. 21. The Deputy President Pro Tempore of the Senate shall be paid an annual salary of fifteen thousand three hundred eighty-four dollars ($15,384), payable monthly and an expense allowance of three hundred fifty-four dollars ($354.00) per month.

Requested by: Rep. Bumgardner
----- LINCOLN COUNTY APPLE GROWERS FUNDS DO NOT REVERT

Sec. 22. Funds in the amount of ten thousand dollars ($10,000) appropriated from the General Fund to the Lincoln County Apple Growers' Association by Section 2 of Chapter 1355 of the 1981 Session Laws shall not revert, but shall remain available to sponsor the Lincoln County Apple Festival.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- MUSEUM OF ART

Sec. 23. There is appropriated from the General Fund to the Department of Cultural Resources the sum of thirty-six thousand seven hundred eighty-eight dollars ($36,788) for the 1987-88 fiscal year and the sum of sixty-three thousand four hundred twenty-one dollars ($63,421) for the 1988-89 fiscal year to fully fund new security guard positions at the North Carolina Museum of Art.

Requested by: Rep. Watkins
----- SIPS

Sec. 23.1. (a) The functions and powers of the Secretary of the Department of Administration relating to the administration of the State Information Processing Services are hereby transferred to the State Controller as follows: Those functions, powers and duties related to the authority to carry out the provisions of G.S. 143-341(9) and the staff and services provisions of G.S. 143B-426.21.

(b) This section is effective until August 1, 1988.

Requested by: Rep. Nye
----- HAZARDOUS WASTE RECEIPT USE

Sec. 24. Section 99 of Chapter 738 of the 1987 Session Laws is rewritten to read:

"Sec. 99. There is appropriated from the General Fund to the Department of Human Resources, Division of Health Services, Solid and Hazardous Waste Management Branch, the sum of one hundred thousand dollars ($100,000) for the 1987-88 fiscal year, for the purpose of employing additional staff to undertake hazardous waste facility inspection, permitting, and all other essential regulatory activities required by Chapter 773 of the 1987 Session Laws. All receipts generated pursuant to Chapter 773 shall be deposited in the General Fund."

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt
----- BETSY-JEFF PENN 4-H CENTER DIRECTOR

Sec. 25. Of the funds appropriated to the Board of Governors of The University of North Carolina in Section 2 of Chapter 738 of the 1987 Session Laws for expansion of agricultural programs, the Board may use up to thirty thousand dollars ($30,000) for fiscal year 1987-88 and up to thirty thousand dollars ($30,000) for fiscal year 1988-89 to provide a full-time director at the Betsy-Jeff Penn 4-H Center.

Requested by: Sens. Plyler, Rand, Royal, Reps. Watkins, Bob Etheridge, Nesbitt
----- TEACHERS WITH MASTERS DEGREES/SALARY INCREASE

Sec. 26. (a) Section 19.1(d) of Chapter 1137 of the 1979 Session Laws (Second Session 1980), as rewritten by Chapter 1053 of the 1981 Session Laws, Section 46 of Chapter 757 of the 1985 Session Laws and Section 57 of Chapter 1014 of the 1985 Session Laws (Regular Session 1986) is further amended by rewriting proviso (1) to read:

"(1) in the case of a teacher who was awarded a higher teaching certificate from September 1, 1980, through June 30, 1987, as a result of a receipt of a masters degree, such person shall be entitled to credit for all teaching experience earned previously, recognizable under State Board of Education regulations, in determining placement on the salary schedule;".

(b) There is appropriated from the General Fund to the Department of Public Education the sum of one million ten thousand dollars ($1,010,000) for the 1987-88 fiscal year to implement this section.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- CLERICAL POSITIONS/TREASURER'S OFFICE

Sec. 27. The State Treasurer may use the sum of thirty-one thousand four hundred seventy-four dollars ($31,474) for the 1987-88 fiscal year and the sum of forty-one thousand three hundred fifty dollars ($41,350) for the 1988-89 fiscal year to support 2 accounting clerk IV positions to handle increased numbers of refund claims of escheated and abandoned property and to strengthen the audit program in the Escheat Administration Division.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- FAYETTEVILLE MINORITY BUSINESS FUNDS

Sec. 28. There is appropriated from the General Fund to the Fayetteville Business and Professional League the sum of one hundred thousand dollars ($100,000) for the 1987-88 fiscal year for the development and expansion of the League's Outreach Program to promote the growth of small businesses.

Requested by: Sens. Plyler, Rand, Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- BEAUFORT COUNTY FARMERS MARKET

Sec. 29. There is appropriated from the General Fund to Beaufort County the sum of twenty-five thousand dollars ($25,000) for the 1987-88 fiscal year as a grant-in-aid for a farmers market in Beaufort County.

Requested by: Rep. Watkins

----- INCREASE FARMWORKER COUNCIL

Sec. 29.1. G.S. 143B-426.25(b) is amended as follows:

(1) by deleting the number "11" and substituting the number "12"; and

(2) by adding a new subdivision (7) to read:

"The Chairman of the Employment Security Commission or his designee shall serve ex officio;".

Requested by: Rep. Watkins

----- NO REVERSIONS/CERTAIN FUNDS

Sec. 29.2. Funds appropriated in Section 2 of Chapter 830 of the 1987 Session Laws to the Office of State Budget and Management for State Aid and funds appropriated in Section 6 of Chapter 830 of the 1987 Session Laws shall remain available until expended for the purposes for which they were appropriated.

Requested by: Sens. Plyler, Rand Royall, Reps. Watkins, Bob Etheridge, Nesbitt

----- HISTORIC ST. JOSEPH'S RESTORATION

Sec. 30. There is appropriated from the General Fund to the Department of Cultural Resources the sum of seventy-five thousand dollars ($75,000) for the 1987-88 fiscal year for the use and benefit of St. Joseph's Historic Foundation, Inc., for preserving, maintaining, and general expenses of maintaining the St. Joseph's historic site.

Requested by: Rep. Colton

----- REALLOCATE FUNDS FOR BREVARD

Sec. 30.1. The funds appropriated in Section 8, Chapter 778 of the 1985 Session Laws to the City of Brevard for fiscal year 1985-86 shall not revert and may be used for the operation of the Transylvania County Arts Council, Inc., and for the continued development of a community arts facility in Brevard and Transylvania County.

Requested by: Sen. Royall, Rep. Watkins

----- EFFECT OF MOST LIMITATIONS AND DIRECTIONS IN TEXT/ONLY-1987-89

Sec. 31. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1987-89 biennium, the textual provisions of this act shall apply only to funds appropriated for and activities occurring during the 1987-89 biennium.

Requested by: Sen. Royall, Rep. Watkins

----- SEVERABILITY CLAUSE

Sec. 32. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of the act as a whole or any part other than the part so declared to be

unconstitutional or invalid.

Requested by: Sen. Royall, Rep. Watkins
----- EFFECT OF HEADINGS

Sec. 33. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Sen. Royall, Rep. Watkins
----- EFFECTIVE DATE

Sec. 34. Except as otherwise provided, this act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 674 **CHAPTER 877**

AN ACT CONCERNING GOVERNMENT PUBLICATIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-343.1 is amended by changing the number of appellate division reports allocated to the Department of Community Colleges from "1" to "38".

Sec. 1.1. G.S. 145-11 as enacted by Chapter 480, Session Laws of 1987, shall not permit the Division of Motor Vehicles to discontinue providing driver's license examinations in any language previously administered.

Sec. 2. This act is effective upon ratification, and shall apply only to appellate division reports issued after that date. Section 1.1 of this act is effective upon ratification, but expires June 30, 1989.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 978 **CHAPTER 878**

AN ACT TO ESTABLISH A MORE UNIFORM SYSTEM OF RESOLVING ADMINISTRATIVE DISPUTES AND TO MODIFY JUDICIAL REVIEW OF ADMINISTRATIVE DECISIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 150B-2 is amended as follows:

(1) by rewriting subdivision (2b) to read:

"(2b) 'Hearing officer' means a person or group of persons

designated by an agency that is subject to Article 3A of this Chapter to preside in a contested case hearing conducted under that Article."; and

(2) by adding the following definition in the appropriate alphabetical order:

"(01) 'Administrative law judge' means a person appointed under G.S. 7A-752, 7A-753, or 7A-757."

Sec. 2. G.S. 150B-2(5) is amended by changing the semicolon following the word "appropriate" to a period and rewriting the remainder of that subdivision to read:

"This subdivision does not permit an agency that makes a final decision, or an officer or employee of the agency, to petition for initial judicial review of that decision."

Sec. 3. G.S. 150B-23(a) is amended as follows:

(1) by rewriting the first sentence of that subsection to read:

"A contested case shall be commenced by filing a petition with the Office of Administrative Hearings and, except as provided in Article 3A of this Chapter, shall be conducted by that Office.";

(2) by deleting the second paragraph of that subsection; and

(3) by adding a new sentence at the end of the first paragraph of that subsection as follows:

"Any person aggrieved may commence a contested case hereunder."

Sec. 4. G.S. 150B-23(b) is amended by deleting the words "or the agency".

Sec. 5. G.S. 150B-23(d), 150B-33, 150B-34(b), and 150B-44 are each amended by deleting the words "hearing officer" each place they appear, including the catchline, and substituting the words "administrative law judge".

Sec. 6. G.S. 150B-24(a)(3), 150B-25(a), 150B-27, and 150B-31(a) are each amended by deleting the words "agency or hearing officer" and substituting the words "administrative law judge".

Sec. 7. G.S. 150B-29(a) is amended in the last sentence by deleting the words "agency or hearing officer in reaching his decision" and substituting the phrase "administrative law judge in making a recommended decision, by the agency in making a final decision".

Sec. 8. G.S. 150B-32 is amended as follows:

(1) by rewriting the catchline to read: "*Designation of administrative law judge.*";

(2) by rewriting subsection (a) to read:

"(a) The Director of the Office of Administrative Hearings shall assign himself or another administrative law judge to preside over a contested case.";

(3) by deleting the phrase "a hearing officer, the hearing officer" in subsection (b) and substituting the phrase "an administrative law judge, the administrative law judge";

(4) by deleting the words "a hearing officer" in subsection (c) and substituting the words "an administrative law judge"; and

(5) by deleting the words "another hearing officer shall be assigned" in subsection (c) and substituting the words "the Director shall assign another administrative law judge".

Sec. 9. G.S. 150B-33(a) and (b) are each amended by deleting the words "A hearing officer" and substituting the words "An administrative law judge".

Sec. 10. G.S. 150B-33(b)(2) is amended by deleting the phrase "agency or the Office of Administrative Hearings, as applicable" and substituting the phrase "Office of Administrative Hearings".

Sec. 11. G.S. 150B-35 is amended by deleting the phrase "a member or employee of an agency assigned to make a decision or to make findings of fact and conclusions of law in a contested case or a hearing officer shall not" and substituting the phrase "neither the administrative law judge assigned to a contested case nor a member or employee of the agency making a final decision in the case may".

Sec. 12. G.S. 150B-36 is amended by rewriting the second sentence of that section to read:

"If the agency does not adopt the administrative law judge's recommended decision as its final decision, the agency shall state in its decision or order the specific reasons why it did not adopt the administrative law judge's recommended decision."

Sec. 13. G.S. 150B-37(a)(5) and (6) are each amended by deleting the words "hearing officer's" and substituting the words "administrative law judge's".

Sec. 14. G.S. 7A-757 is amended by deleting the words "hearing officers" and "hearing officer" each place they appear and substituting the words "administrative law judges" and "administrative law judge" respectively.

Sec. 15. G.S. 7A-758 is amended by deleting the words "hearing officer" and "a hearing officer" each place they appear, including the catchline, and substituting the words "administrative law judge" and "an administrative law judge" respectively.

Sec. 16. G.S. 150B-45 is rewritten to read:

"§ *150B-45. Procedure for seeking review; waiver.*--To obtain judicial review of a final decision under this Article, the person seeking review must file a petition in the Superior Court of Wake

County or in the superior court of the county where the person resides.

The person seeking review must file the petition within 30 days after the person is served with a written copy of the decision. A person who fails to file a petition within the required time waives the right to judicial review under this Article. For good cause shown, however, the superior court may accept an untimely petition."

Sec. 17. G.S. 150B-49 is rewritten to read:

"§ *150B-49. New evidence.*--An aggrieved person who files a petition in the superior court may apply to the court to present additional evidence. If the court is satisfied that the evidence is material to the issues, is not merely cumulative, and could not reasonably have been presented at the administrative hearing, the court may remand the case so that additional evidence can be taken. If an administrative law judge did not make a recommended decision in the case, the court shall remand the case to the agency that conducted the administrative hearing. After hearing the evidence, the agency may affirm or modify its previous findings of fact and final decision. If an administrative law judge made a recommended decision in the case, the court shall remand the case to the administrative law judge. After hearing the evidence, the administrative law judge may affirm or modify his previous findings of fact and recommended decision. The administrative law judge shall forward a copy of his decision to the agency that made the final decision, which in turn may affirm or modify its previous findings of fact and final decision. The additional evidence and any affirmation or modification of a recommended decision or final decision shall be made part of the official record."

Sec. 18. G.S. 150B-50 is amended by inserting the word "superior" before the word "court" in the catchline of the section and by inserting between the words "review" and "of" the words "by a superior court".

Sec. 19. G.S. 150B-51 is rewritten to read:

"§ *150B-51. Scope of review.*--(a) Initial Determination in Certain Cases. In reviewing a final decision in a contested case in which an administrative law judge made a recommended decision, the court shall make two initial determinations. First, the court shall determine whether the agency heard new evidence after receiving the recommended decision. If the court determines that the agency heard new evidence, the court shall reverse the decision or remand the case to the agency to enter a decision in accordance with the evidence in the official record. Second, if the agency did not adopt the recommended decision, the court shall determine whether the agency's decision states the specific reasons why the agency did not adopt the

recommended decision. If the court determines that the agency did not state specific reasons why it did not adopt a recommended decision, the court shall reverse the decision or remand the case to the agency to enter the specific reasons.

(b) Standard of Review. After making the determinations, if any, required by subsection (a), the court reviewing a final decision may affirm the decision of the agency or remand the case for further proceedings. It may also reverse or modify the agency's decision if the substantial rights of the petitioners may have been prejudiced because the agency's findings, inferences, conclusions, or decisions are:

(1) In violation of constitutional provisions;
(2) In excess of the statutory authority or jurisdiction of the agency;
(3) Made upon unlawful procedure;
(4) Affected by other error of law;
(5) Unsupported by substantial evidence admissible under G.S. 150B-29(a), 150B-30, or 150B-31 in view of the entire record as submitted; or
(6) Arbitrary or capricious."

Sec. 20. G.S. 150B-52 is rewritten to read:

"§ *150B-52. Appeal; stay of court's decision.*--A party to a review proceeding in a superior court may appeal to the appellate division from the final judgment of the superior court as provided in G.S. 7A-27. Pending the outcome of an appeal, an appealing party may apply to the court that issued the judgment under appeal for a stay of that judgment or a stay of the administrative decision that is the subject of the appeal, as appropriate."

Sec. 21. G.S. 150B-2 is amended by adding the following definition in the appropriate alphabetical order:

"(01) 'Substantial evidence' means relevant evidence a reasonable mind might accept as adequate to support a conclusion."

Sec. 22. G.S. 150B-47 is amended by rewriting the first sentence of the section to read:

"Within 30 days after receipt of the copy of the petition for review, or within such additional time as the court may allow, the agency that made the final decision in the contested case shall transmit to the reviewing court the original or a certified copy of the official record in the contested case under review together with: (i) any exceptions, proposed findings of fact, or written arguments submitted to the

agency in accordance with G.S. 150B-36(a); and (ii) the agency's final decision or order."

Sec. 23. G.S. 150B-34 is rewritten to read:

"§ *150B-34. Recommended decision or order of administrative law judge.*--(a) In a contested case, the administrative law judge shall make a recommended decision or order that contains findings of fact and conclusions of law.

(b) After hearing the contested case and prior to issuing a recommended decision, the administrative law judge shall give each party an opportunity to file proposed findings of fact and to present written arguments to him."

Sec. 24. G.S. 150B-36 is amended by designating the current language of that section as subsection (b) and adding a new subsection (a) to read:

"(a) Before the agency makes a final decision, it shall give each party an opportunity to file exceptions to the decision recommended by the administrative law judge, and to present written arguments to those in the agency who will make the final decision or order."

Sec. 25. G.S. 150B-37 is amended as follows:

(1) by rewriting that part of subsection (a) preceding the colon to read:

"In a contested case, the Office of Administrative Hearings shall prepare an official record of the case that includes";

(2) by adding the word "and" after the semicolon following subdivision (a)(4);

(3) by deleting subdivision (a)(5);

(4) by deleting the phrase ", opinion, order, or report" in subdivision (a)(6) and substituting the words "or order"; and

(5) by adding a new subsection to read:

"(c) The Office of Administrative Hearings shall forward a copy of the official record to the agency making the final decision and shall forward a copy of the recommended decision to each party."

Sec. 26. G.S. 150B-33(b)(9) is amended by deleting the word "administrative".

Sec. 27. G.S. 150B-44 is amended by deleting the second sentence and substituting the following:

"Except for an agency that is a board or commission, an agency's failure to make a final decision within 60 days of the date on which all exceptions or arguments are filed under G.S. 150B-36(a) with the agency constitutes an unreasonable delay. A board or commission's failure to make a final decision within the later of the 60 days allowed other agencies or 60 days after the board's or commission's next regularly scheduled meeting constitutes an unreasonable delay."

Sec. 28. Sections 1 through 20 of this act shall become effective September 1, 1987; the remaining sections of this act are effective upon ratification. Sections 1 through 15 shall apply to contested cases commenced on or after September 1, 1987. Sections 16 through 20 shall apply to petitions for review filed on or after September 1, 1987.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

H.B. 1187 **CHAPTER 879**

AN ACT TO MAKE TECHNICAL CORRECTIONS IN THE 1987 SESSION LAWS AND TO CLARIFY WHEN AN AGGRIEVED PERSON MAY COMMENCE A CONTESTED CASE UNDER THE ADMINISTRATIVE PROCEDURES ACT.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 172, Session Laws of 1987, reads as rewritten:

"Sec. 6. Henderson Travel and Tourism Committee. When the board of commissioners adopts a resolution levying a room occupancy tax under this act, it shall also adopt a resolution creating the Henderson Travel and Tourism Committee~~, which shall be a public authority under the Local Government Budget and Fiscal Control Act~~. The Committee shall consist of nine voting members as follows:

(1) Four members who are registered to vote in Henderson County, appointed by the Henderson County Board of Commissioners;

(2) Four members who are registered to vote in Henderson County, appointed by the Hendersonville City Council; and

(3) The President of the Greater Hendersonville Chamber of Commerce, or his designee, to serve ex officio.

The board of commissioners shall designate one member of the Committee as chair and shall determine the compensation, if any, to be paid to members of the Committee. The Committee shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The finance officer for Henderson County shall be the ex officio finance officer of the Committee. The Committee shall administer the Travel and Tourism Fund as provided in Section 1(e) of this act. The Committee shall report quarterly and at the close of the fiscal year to the board of commissioners on its expenditures for the preceding quarter and for the year in such detail as the board may require."

Sec. 1.1. Section 1 of Chapter 236, Session Laws of 1987, is amended by deleting "Session Laws of 1983" and substituting "Session Laws of 1973".

Sec. 1.2. Sections 3, 4, and 5 of Chapter 7, Session Laws of 1987 are amended by deleting "is rewritten to read", and substituting "reads as rewritten".

Sec. 2. G.S. 153A-19 as rewritten by Section 1 of Chapter 715, Session Laws of 1987, is amended by adding a new subsection to read:

"(c) Township boundaries and changes in those boundaries shall be reported to the United States Bureau of the Census in the Boundary and Annexations Survey. In responding to the surveys, each county shall consult with the county board of elections and other appropriate local agencies as to the location of township boundaries."

Sec. 3. G.S. 160A-29, G.S. 160A-39, and G.S. 160A-51, as rewritten by Chapter 715, Session Laws of 1987, are each amended by adding the following at the end: "Any annexation shall be reported as part of the Boundary and Annexation Survey of the United States Bureau of the Census."

Sec. 4. Part 4 of Article 4A of Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ *160A-58.8. Recording and Reporting.*--Annexations made under this part shall be recorded and reported in the same manner as under G.S. 160A-29."

Sec. 5. G.S. 163-132.2(a), as rewritten by Chapter 715, Session Laws of 1987, is amended by adding the following at the end: "Provided, where a precinct boundary has been or is to be altered because of the operation of G.S. 163-132.5A, the boundary on the map shall be shown as in effect on January 1, 1988, the reporting date of the underlying municipal boundary on the map, but the fact that the boundary has been or is to be moved because of an intervening annexation shall be reported to the State Board of Elections and Legislative Services Office."

Sec. 6. G.S. 163-132.2(a)(2) as rewritten by Chapter 715, Session Laws of 1987, is amended by deleting "or by G.S. 163-132.5A".

Sec. 6.1. G.S. 150B-23(a) is amended by adding a new sentence at the end of the first paragraph of that subsection as follows: "Any person aggrieved may commence a contested case hereunder".

Sec. 6.2. Chapter 430 of the 1987 Session Laws is amended by rewriting Section 16 to read:

"Sec. 16. Sections 1-14 of this act shall become effective January 1, 1988 and Section 15 of this act is effective upon ratification and shall expire on July 1, 1989."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

RESOLUTIONS

H.J.R. 5 **RESOLUTION 1**

A JOINT RESOLUTION INFORMING HIS EXCELLENCY, GOVERNOR JAMES G. MARTIN, THAT THE GENERAL ASSEMBLY IS ORGANIZED AND READY TO PROCEED WITH PUBLIC BUSINESS AND INVITING THE GOVERNOR TO ADDRESS A JOINT SESSION OF THE SENATE AND HOUSE OF REPRESENTATIVES.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. A committee of four Senators and four Representatives shall be appointed by the presiding officers of the respective houses to notify His Excellency, Governor James G. Martin, that the General Assembly is organized and is ready to proceed with public business, and to invite him to address a joint session of the Senate and House of Representatives at 7:30 p.m., Monday, February 16, 1987.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of February, 1987.

S.J.R. 12 **RESOLUTION 2**

A JOINT RESOLUTION INVITING THE HONORABLE MARTHA LAYNE COLLINS, GOVERNOR OF KENTUCKY, AND THE HONORABLE WILLIAM F. WINTER, FORMER GOVERNOR OF MISSISSIPPI, TO ADDRESS A JOINT SESSION OF THE SENATE AND HOUSE OF REPRESENTATIVES AT 7:00 O'CLOCK P.M. MONDAY, MARCH 2, 1987.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The Senate and the House of Representatives shall convene in joint session in the House Chamber at 7:00 o'clock P.M. Monday, March 2, 1987. The Honorable Martha Layne Collins, Governor of Kentucky, and the Honorable William F. Winter, former Governor of Mississippi, are hereby invited to present to the joint session the report of the Commission on the Future of the South.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the Honorable Martha Layne Collins, Governor of Kentucky, and the Honorable William F. Winter, former Governor of Mississippi.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of February, 1987.

H.J.R. 62 **RESOLUTION 3**

A JOINT RESOLUTION DECLARING FEBRUARY 28, 1987, TO BE "MARY LYON DAY" IN HONOR OF THE BIRTH OF MARY LYON, THE FOUNDER OF MOUNT HOLYOKE COLLEGE AND WHEATON COLLEGE.

Whereas, Mary Lyon was born in Buckland, Massachusetts, on February 28, 1797, the fourth daughter and sixth child of Aaron and Jemima Lyon; and

Whereas, Mary Lyon was motivated throughout her life by her religious conviction and a belief in the importance of education; and

Whereas, in 1817, using her earnings from teaching summer schools and a modest inheritance, she enrolled in Sanderson Academy in Ashfield, Massachusetts, where she was exposed to advanced subjects and new ideas; and

Whereas, in 1824 she opened her first school in Buckland, Massachusetts; and

Whereas, after three years of exhaustive planning and tireless fund-raising, Mary Lyon realized her mission to found an institution of higher learning for women with the opening of Mount Holyoke Seminary on November 8, 1837, in South Hadley, Massachusetts; and

Whereas, Mary Lyon introduced two innovations to women's education: high academic entrance requirements followed by a demanding curriculum, and an endowment to ensure the school's permanence after her death in 1849; and

Whereas, Mount Holyoke has continued to this day, one hundred fifty years after its founding, to stand for excellence in women's education; and

Whereas, many North Carolina women have graduated from Mount Holyoke College and from Wheaton College, which she also founded in Norton, Massachusetts;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina declares February 28, 1987, as "Mary Lyon Day" in honor of Mary Lyon, the founder of Mount Holyoke College and Wheaton College, on the month and day of her birth for her outstanding contribution to the higher education of women.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 26th day of February, 1987.

S.J.R. 61 **RESOLUTION 4**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF L.A. "SPEED" RIGGS.

Whereas, L.A. "Speed" Riggs was born in the Onslow County Community of Silverdale on February 18, 1907. He moved to Goldsboro in 1924, and became interested in tobacco auctioneering when he visited the tobacco markets in and around Goldsboro with his father, Mark Riggs, and began auctioning produce and tobacco in the Faison area at a very early age.

In December of 1937, George W. Hill, who was President of American Tobacco Company and recognized as an advertising genius, heard about auctioneer L.A. "Speed" Riggs and travelled by train to Liberty Warehouse in Durham to hear him sell from the warehouse floor and immediately upon hearing him sell, Mr. Hill signed L.A. "Speed" Riggs to be "The Voice of Lucky Strike". "Speed" Riggs first appeared on the Lucky Strike Hit Parade in late December of 1937 and served as "The Voice of Lucky Strike" on the Hit Parade until the show was moved to California in 1948.

L.A. "Speed" Riggs continued to serve as "The Voice of Lucky Strike" in California until cigarette advertising was banned from electronic media in 1969.

During his days as "The Voice of Lucky Strike", he became involved with charitable efforts to help handicapped and underprivileged Americans learn a trade.

L.A. "Speed" Riggs auctioned over seventeen million dollars ($17,000,000) in war bonds during World War II; and after cigarette advertising was banned from the airwaves, he decided to remain in California and organized "Your Community Fund", a nonprofit organization that helps the disabled and handicapped learn trades.

He moved to Rocky Mount in January 1986, and to Goldsboro in October of the same year.

L.A. "Speed" Riggs, who would have been 80 years old on

February 18, 1987, died on February 1, 1987. He created and maintained a positive image for tobacco over his years of service and was not just "The Voice of Lucky Strike" but the "Voice of Tobacco".

Until "Speed" Riggs was heard on national radio in 1937, Americans west of the Mississippi had never heard the chant of a tobacco auctioneer.

L.A. "Speed" Riggs will be remembered by all who knew him as a warm and giving man devoted to his family, his community, his profession, and to public service. He conducted himself at all times with dignity, responsibility, and integrity.

Whereas, the General Assembly wishes to honor the memory of L.A. "Speed" Riggs and to express its sympathy to his family and friends;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of L.A. "Speed" Riggs and expresses the deep gratitude and appreciation of this State and its citizens for his life and service.

Sec. 2. The General Assembly expresses its deep sorrow to the family and friends of L.A. "Speed" Riggs for the loss of a beloved family man and a true friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of L.A. "Speed" Riggs.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of March, 1987.

S.J.R. 119 **RESOLUTION 5**

A JOINT RESOLUTION HONORING THE FOUNDERS OF A CENTURY AGO OF TODAY'S NORTH CAROLINA STATE UNIVERSITY.

Whereas, the people of North Carolina are deeply indebted to the North Carolina General Assembly of 1887, and other leaders of a century and more ago whose great vision created on March 7, 1887, the North Carolina College of Agriculture and Mechanic Arts, now North Carolina State University; and

Whereas, Senator Justin Morrill of Vermont authored the famed "Land-Grant Act", passed by the United States Congress in 1862, providing for the establishment of a college in each state to be supported by an endowment of federal lands; and

Whereas, Colonel Leonidas Polk, founder and editor of the Progressive Farmer, organized the farmers of this State to support the founding of an agricultural college on the model of the then-existing land-grant colleges of the nation; and

Whereas, the Watauga Club of Raleigh, composed of visionary young men, Editors Walter Hines Page and Josephus Daniels, William J. Peele, Arthur Winslow, Dr. Charles W. Dabney, and others, sought the economic advancement of North Carolina through technological education and pursued the establishment of an industrial school by the General Assembly; and

Whereas, Augustus Leazar, a member of the State Board of Agriculture, Thomas Dixon, Jr., and Henry E. Fries, all members of the House of Representatives; and Senators Robert W. Winston, Willis R. Williams, John Gatling, Sydenham B. Alexander and others, were champions of founding the new college in their respective branches of the General Assembly; and

Whereas, legislation in 1885 for founding the industrial school was amended in the 1887 Session to embody the broader concept of the federal Morrill (Land-Grant) Act; to provide liberal and practical education for the industrial classes in the several pursuits and professions of life (the fundamental idea of "democratic opportunity" for higher education), and to teach scientific and classical studies and such branches of learning as are related to agricultural and mechanic arts; and

Whereas, R. Stanhope Pullen, a leading citizen of Raleigh, made a generous gift of sixty acres of farm land west of the Capital City as the site for the new college; and

Whereas, North Carolina State University, its alumni around the world, and its friends and supporters near and far, are celebrating a century of dedicated service by the University to the advancement of knowledge, the economic progress of North Carolina, and the welfare and interests of the people of this State and of mankind; and

Whereas, the University today represents a billion dollar investment; has awarded some 88,000 degrees, operates statewide Agriculture Extension and Research Services, is ranked among the top thirty doctoral-research universities in the nation; offers excellent undergraduate and graduate education in more than one hundred fields of study, including new fields in the forefront of scientific and technological progress today; serves the interests of the nation and world in various international projects; and provides educational opportunity for some 24,000 students annually;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The North Carolina General Assembly recognizes and honors the founders of North Carolina State University for their vision, commends the University for its contributions to North Carolina and its people, extends congratulations on the institution's Centennial Celebration, and looks forward to a second century of service by the University in behalf of the people of North Carolina and the nation.

Sec. 2. The Secretary of State shall send a certified copy of this resolution to Bruce R. Poulton, the tenth Chancellor of North Carolina State University.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 11th day of March, 1987.

S.J.R. 114 **RESOLUTION 6**

A JOINT RESOLUTION PROVIDING THAT THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE MAY, DURING THE 1987 REGULAR SESSION, PROVIDE FOR JOINT SESSIONS OF BOTH HOUSES TO ACT ON CONFIRMATION OF NOMINEES OR APPOINTMENTS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. During the 1987 Regular Session of the General Assembly, whenever by operation of law the General Assembly must act on confirmation of nominees in joint session, or must make appointments in joint session, the Speaker of the House of Representatives and the President of the Senate may jointly set the dates and times of such session or sessions, but such session or sessions may only be held at dates and times when both houses are in session by orders of those houses. Such joint sessions shall be held in the Hall of the House of Representatives.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 13th day of March, 1987.

H.J.R. 105 **RESOLUTION 7**

A JOINT RESOLUTION URGING CONGRESS TO TAKE FINAL ACTION ON THE 1987 FEDERAL HIGHWAY ACT.

Whereas, the 100th Session of the U.S. House of Representatives has passed HB 2 and the U.S. Senate has passed S 387, both versions of the 1987 Federal Highway Program; and

Whereas, both of these measures have been sent to a conference committee to adjust the differences in the bills, and the conferees have been appointed; and

Whereas, without speedy action by the conference committee to adjust the differences in the bills and to fund the Federal Highway Assistance Program, the federally assisted programs in North Carolina will end in April 1987; and

Whereas, the 1986 General Assembly took steps to increase the tax on motor fuels to ensure adequate State funds to match the federal highway construction funds; and

Whereas, speedy action on the part of Congress is necessary to keep the highway construction program going in North Carolina;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The United States Congress is urged to take final action on the 1987 Federal Highway Act through the speedy resolution of the differences between HR 2 and S 387 so as to continue availability funds for highway construction on federal-aid projects in this State.

Sec. 2. That a copy of this joint resolution be transmitted to each member of the United States Congress representing North Carolina and each member of the House and Senate conference committees on HB 2.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of March, 1987.

S.J.R. 165 **RESOLUTION 8**

A JOINT RESOLUTION HONORING THE CENTENNIAL OF THE TOWN OF KENLY AND THE MEMORY OF ITS FOUNDERS.

Whereas, March 7, 1987, was the centennial of the incorporation of the Town of Kenly; and

Whereas, great contributions were made to that town by its founders, now deceased; and

Whereas, the Town of Kenly was named for John Reese Kenly, President of the Atlantic Coast Line Railroad; and

Whereas, Kenly is the home of Al Evans, former catcher of the American League Washington Senators; and

Whereas, Kenly is in the heart of tobacco land, and is the home of the Tobacco Museum of North Carolina; and

Whereas, within 50 miles of Kenly, one-half of all the flue-cured tobacco in the United States is grown; and

Whereas, the people of Kenly are hard-working, industrious, law-abiding, and God-fearing; and

Whereas, great progress has been made by the Town of Kenly, with much assistance having been provided by the Friendly Kenly Chamber of Commerce;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly honors the centennial of the founding of the Town of Kenly, and honors the memories of its founders.

Sec. 2. The Secretary of State shall send a certified copy of this resolution to the Town Clerk of the Town of Kenly.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of March, 1987.

S.J.R. 166 **RESOLUTION 9**

A JOINT RESOLUTION HONORING THE CENTENNIAL OF THE TOWN OF BENSON AND THE MEMORY OF ITS FOUNDERS.

Whereas, March 7, 1987, was the centennial of the incorporation of the Town of Benson; and

Whereas, great contributions were made to that town by its founders, now deceased; and

Whereas, the annual singing convention held in Benson on the fourth Saturday in June of each year has spread the name of Benson far and wide; and

Whereas, the Benson Mule Days held in Benson on the fourth weekend in September of each year has spread the name of the Town of Benson far and wide; and

Whereas, the people of Benson are hard-working, industrious, law-abiding, and God-fearing; and

Whereas, Benson is in the heart of sweet potato country; and

Whereas, Benson is noted over a wide area as a place for "cruising" on weekends;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly honors the centennial of the founding of the Town of Benson, and honors the memories of its founders.

Sec. 2. The Secretary of State shall send a certified copy of this resolution to the Town Clerk of the Town of Benson.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of March, 1987.

S.J.R. 67 **RESOLUTION 10**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF WILLIAM PRESTON SAUNDERS.

Whereas, William Preston Saunders was born in Dallas, North Carolina, on October 28, 1897; and

Whereas, William Preston Saunders was educated in Plumtree Academy, Plumtree, North Carolina, was graduated from High School in Morganton, North Carolina, and attended college at The University of North Carolina in the class of 1921 where he played varsity baseball; and

Whereas, William Preston Saunders was engaged in the textile business, became President of Robbins Mills, Inc., and retired from the field after more than thirty years; and

Whereas, William Preston Saunders served as Mayor of Robbins, North Carolina, for sixteen years and was President of Robbins Building and Loan Association; and

Whereas, William Preston Saunders held various other important community positions, including President of the Robbins Building and Loan Association, member of the Board of Directors of First Citizens Bank and Trust Company of Southern Pines, Trustee of St. Andrews Presbyterian College of Laurinburg, member of The University of North Carolina Board of Trustees and Vice President of the Boy Scouts of America in North Carolina; and

Whereas, William Preston Saunders served in the 1963, 1969, 1971, and 1973 sessions of the General Assembly as a Senator; and

Whereas, William Preston Saunders' service to the State of North Carolina gave him the distinction of being elected to State executive positions by each Governor of North Carolina from J. C. B. Eringhaus through Dan K. Moore, which positions included the State Banking

Commission and North Carolina Department of Conservation and Development; and

Whereas, William Preston Saunders' most noteworthy accomplishment for the State of North Carolina was his influence in persuading Governor Luther H. Hodges to proceed with a program to establish the Research Triangle Park; and

Whereas, William Preston Saunders' service to the Democratic Party included Precinct Chairman in Moore County, a member of the State Democratic Executive Committee for many years and attended the Democratic National Convention in Chicago in 1968 as a delegate and was also an alternate delegate to two other National Democratic Conventions; and

Whereas, William Preston Saunders' commitment to his community provided him with several awards and honors of which included an award by the Moore County Board of Education for his outstanding work in the field of education where he chaired a drive to raise three million dollars ($3,000,000) in school bonds for consolidation of high schools in Moore County and one million dollars ($1,000,000) to establish the Sandhills Community College; and

Whereas, William Preston Saunders was an elder in the Presbyterian Church, both at Robbins and Southern Pines, for many years; and

Whereas, William Preston Saunders was a member of fraternal organizations, including Scottish Rite Mason, Shriner, Southern Pines Elks Club, Sandhills Kiwanis Club; and

Whereas, William Preston Saunders was married to the late Elizabeth Yates Plonk, and leaves two daughters, Mrs. Ralph W. Barnhart of Raeford, North Carolina, and Mrs. Robert O. Southwell of Kings Mountain, North Carolina, three grandchildren and four great grandchildren; and

Whereas, the General Assembly wishes to honor the memory of William Preston Saunders and recognize his many years of public service to the people of this State and of the United States;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina honors the memory of William Preston Saunders and expresses the gratitude and appreciation of this State and its citizens for his life and devoted service to his community and to North Carolina.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of William Preston Saunders.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of March, 1987.

H.J.R. 162 **RESOLUTION 11**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF DR. K.Z. CHAVIS.

Whereas, Dr. K.Z. Chavis, son of the late Langley T. and Arlin Johnson Chavis, was born January 11, 1930, in Northhampton County, North Carolina; and

Whereas, Dr. K.Z. Chavis attended public schools in Northhampton and Nash Counties; and

Whereas, Dr. K.Z. Chavis received a Bachelor of Science from Langston University in Oklahoma, a Master of Arts from North Carolina Central University in Durham, a Doctor of Education from the University of Massachusetts in Amherst, and an honorary Doctor of Laws and Pedagogy from West Point and Mary Holmes College, Mississippi; and

Whereas, Dr. K.Z. Chavis served as a devoted educator and humanitarian during his adult life; and

Whereas, Dr. K.Z. Chavis served as Director of the Leadership Development Program for the Ford Foundation and as Associate Director of the Education Improvement Project at Duke University in Durham; and

Whereas, Dr. K.Z. Chavis was very active in the political arena and served on the Carter-Mondale transition team; and

Whereas, Dr. K.Z. Chavis served as a national consultant on educational and community development programs on many boards; and

Whereas, Dr. K.Z. Chavis served his country in the United States Army Airborne during the Korean conflict from January 1952 through January 1954; and

Whereas, Dr. K.Z. Chavis rose to the heights of his profession when he become the first Black to lead the North Carolina Association of Educators; and

Whereas, Dr. K.Z. Chavis's life was characterized by high achievement, public service with distinction, and high regard by and for his fellow man; and

Whereas, Dr. K.Z. Chavis is remembered by all as a man of integrity and a servant of the people; and

Whereas, the General Assembly wishes to honor the memory of Dr. K.Z. Chavis and to express its sympathy to his family and friends;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the memory of Dr. K.Z. Chavis and expresses the gratitude and appreciation of this State and its citizens for his life and devoted service.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Dr. K.Z. Chavis and to the President of the North Carolina Association of Educators.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of March, 1987.

S.J.R. 145 **RESOLUTION 12**

A JOINT RESOLUTION TO HONOR THE MEMORY OF THE DISTINGUISHED JURIST AND LEGISLATOR, THE LATE HONORABLE EARL W. VAUGHN, AND TO ACKNOWLEDGE HIS CAREER OF PUBLIC SERVICE AND HIS UNIQUE CONTRIBUTION TO THE STATE OF NORTH CAROLINA.

Whereas, the Honorable Earl W. Vaughn served our State well for a quarter century as a distinguished jurist and legislator; and

Whereas, he rose from humble beginnings as the youngest of eleven children on a Rockingham County farm to become an outstanding leader in community, county, and State affairs; and

Whereas, his professional, civic, and political service began in Draper, Eden, and Rockingham Counties and spanned a variety of interests, including serving the church, the community college, rescue squad, the chamber of commerce, the fine arts, and local politics, in addition to his work as a member of the bar; and

Whereas, his distinguished service to our State began in 1960 when he was first elected to the North Carolina House of Representatives where he served five consecutive terms. For his recognized leadership, he was selected as Majority Leader in 1967 and as Speaker of the House in July 1967, and January 1969. He served on the first North Carolina Courts Commission and worked to make extensive court reforms, including the adoption of a uniform system of courts throughout the State. He chaired and co-chaired several key committees, including Utilities, Congressional Districts, Courts, Judicial Districts, Interstate Cooperation, Counties-Cities-Towns, and Appropriations committees. His legislative service was classified as "low-key but uncommonly effective"; and

Whereas, his contributions as a jurist began in 1969 when he was appointed to the North Carolina Court of Appeals by Governor Robert W. Scott. In 1983 he was named Chief Judge of the Court of Appeals. The efficiency of that Court reportedly improved significantly. In early 1985 he was appointed by Governor James B. Hunt, Jr., to a seat on the North Carolina Supreme Court, where he served until ill health forced his retirement. His judicial contemporaries described him as "a hard worker whose opinions were concise and learned - one who brought integrity as well as humor to his work as judge"; and

Whereas, his contributions extended beyond our State borders with service on the National Conference of State Legislative Leaders, the Council of State Governments, the Southern Council of State Governments, the Regional Educational Laboratory for the Carolinas and Virginia, and the Commission for the Economic Development of the South; and

Whereas, his career of public service, impacting significantly upon our State's legislative and judicial systems, was cut short by an early death;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina honors the memory of the late Honorable Earl W. Vaughn, the distinguished jurist and legislator, for his dedication and life-long career of public service and for his many contributions to the legislative and judicial systems of the State of North Carolina, despite an untimely death.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 31st day of March, 1987.

H.J.R. 302 **RESOLUTION 13**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ROBERT ALTON GRAY, FORMER SUPERINTENDENT OF SCHOOLS IN HARNETT COUNTY.

Whereas, Robert Alton Gray was born November 23, 1926, in Pitt County; and

Whereas, Robert Alton Gray was graduated from Stokes High School in Pitt County, East Carolina University where he earned both a Bachelors and a Masters degree, and from the University of North Carolina, where he earned an Advanced Administrative Certificate; and

Whereas, Robert Alton Gray was a teacher, a principal, an assistant superintendent, and later the superintendent of schools in Harnett County from September 1, 1966, until his death on February 25, 1987; and

Whereas, Robert Alton Gray provided leadership as a member in several professional organizations, including the North Carolina Association of Educators and the National Educators Association, in both of which he was a lifetime member, the American Association of School Administrators, the North Carolina State School Boards Association, and the North Carolina Association of School Administrators, which he served as one of its first organizers and charter members; and

Whereas, Robert Alton Gray was distinguished as the Tar Heel of the Week by the Raleigh News and Observer in October of 1967, was honored in Who's Who In The South and Southwest, and was one of the first to win the Outstanding Educator Award from East Carolina University in January of 1986; and

Whereas, Robert Alton Gray served his community as a Mason and a member of the Lillington Rotary Club, which he served as past president and was one of the charter directors in the formation of the Lee-Harnett Mental Health Authority; and

Whereas, Robert Alton Gray was active in the Presbyterian Church, serving as a Sunday school teacher, a Deacon, and an Elder; and

Whereas, Robert Alton Gray served in the United States Naval Reserves from 1944 to 1946; and

Whereas, the General Assembly wishes to honor the memory of Robert Alton Gray and to express its sympathy to his wife, Marie Whitford Gray, his children, Robert Gray, Jr., and Diane Gray Walters, his grandson, Benjamin Walters, and his associates and friends;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the life and memory of Robert Alton Gray and expresses the gratitude and appreciation of this State and its citizens, particularly of the people of Harnett County, for his life and service to North Carolina.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Robert Alton Gray.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 31st day of March, 1987.

S.J.R. 303 **RESOLUTION 14**

A JOINT RESOLUTION PROVIDING THAT THE 1987 GENERAL ASSEMBLY SHALL MEET FOR A DAY IN THE TOWN OF TARBORO IN HONOR OF THE TWO HUNDREDTH ANNIVERSARY OF THE 1787 GENERAL ASSEMBLY SESSION MEETING IN TARBORO.

Whereas, Resolution 29, Session Laws of 1985 provided that the 1987 General Assembly shall meet in Tarboro for a day in 1987; and

Whereas, the 1985 General Assembly has appropriated funds to the General Assembly for travel to the session; and

Whereas, the Constitution provides that the General Assembly may jointly adjourn to some other place;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. On Thursday, April 30, 1987, the Senate and House of Representatives shall meet in Tarboro at the Town Common, in honor of the two hundredth anniversary of the 1787 General Assembly Session which met in Tarboro.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of April, 1987.

H.J.R. 273 **RESOLUTION 15**

A JOINT RESOLUTION TO HONOR THE LIFE AND MEMORY OF LEE JACKSON GREER, JR.

Whereas, Lee Jackson Greer, Jr., was born on November 23, 1949; and

Whereas, Lee Jackson Greer, Jr., hailed from a family dedicated to public service in that his father Lee Jackson Greer, Sr., was a longtime Clerk of Superior Court for Columbus County, practicing attorney, and was the first District Attorney of the Thirteenth Judicial District after the reorganization of the courts in 1968, and also in that his mother Marguerite Greer is a much beloved teacher who taught for many years in the Whiteville City School unit; and

Whereas, Lee Jackson Greer, Jr., graduated from the University of North Carolina and from the North Carolina Central University School of Law; and

Whereas, Lee Jackson Greer, Jr., started his law practice in Southport with Ernest Parker and later served as an Assistant District Attorney and District Court Judge, appointed by Governor James B. Hunt, Jr.; and

Whereas, Lee Jackson Greer, Jr., conducted court in a fair and exemplary manner, drawing the admiration of court officials both in his district and outside; and

Whereas, Lee Jackson Greer, Jr., demonstrated his dedication to the youth in the Thirteenth Judicial District by coaching children in baseball, basketball, and swimming and by serving on several youth committees; and

Whereas, Lee Jackson Greer, Jr., met an untimely death in an automobile accident on November 21, 1986, while on his way to hold a session of district court in Elizabethtown; and

Whereas, Lee Jackson Greer, Jr., was honored posthumously as the outstanding person in government by the Elizabethtown Jaycees and Jaycettes; and

Whereas, Lee Jackson Greer, Jr., was remembered by the Honorable Resident Superior Court Judge of the Thirteenth District, Giles R. Clark, when he stated, "with his many fine qualities, the respect in which he was held, and his knowledge of the law, had it not been for his tragic death and had he pursued his career, he could have been on the North Carolina Supreme Court as its Chief Judge."; and

Whereas, Lee Jackson Greer, Jr., leaves, in addition to his parents, Lee Jackson Greer, Sr., and Marguerite Greer of Whiteville, a sister, Dr. Laura Ann Greer Vick of Durham; and

Whereas, Lee Jackson Greer, Jr., known as "Bubba" by his many friends and loved by them, should be recognized for his contribution to the Bench and Bar, to youth, and for his involvement in the community life in his district; and

Whereas, the General Assembly wishes to honor the memory of Lee Jackson Greer, Jr., and to express its sympathy to his parents, his sister, and his friends for the loss of a loving son and brother and a true friend;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of Lee Jackson Greer, Jr., and expresses the deep gratitude and appreciation of this State and its citizens for the dedicated service he has rendered.

Sec. 2. The General Assembly extends its deepest sympathy to the family and friends of Lee Jackson Greer, Jr.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Lee Jackson Greer, Jr.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of April, 1987.

S.J.R. 181 **RESOLUTION 16**

A JOINT RESOLUTION TO HONOR THE LIFE AND MEMORY OF RUSSELL F. VAN LANDINGHAM, A FORMER MEMBER OF THE GENERAL ASSEMBLY.

Whereas, Russell F. Van Landingham was born in Halifax County in 1911 to Thomas Henry Van Landingham and Alma Whitehead Van Landingham; and

Whereas, Russell F. Van Landingham attended public schools in Halifax County and graduated from Scotland Neck High School in 1930 and also graduated from Wake Forest College in 1936 with a law degree; and

Whereas, Russell F. Van Landingham distinguished himself as a Special Agent of the FBI, became an Administrative Assistant to FBI Director J. Edgar Hoover, and later returned to Thomasville to practice law; and

Whereas, Russell F. Van Landingham was a respected businessman, started the first radio station in Thomasville, served as president and treasurer of the Thomasville Broadcasting Company, director of Wachovia Bank and Trust Company, director and president of Home Savings and Loan, chairman of the Board of Home Savings and Loan Association, and secretary and treasurer of Van Landingham Buick Oldsmobile Pontiac, Incorporated; and

Whereas, Russell F. Van Landingham was a staunch Democrat who served as a State Senator in the 1961-62 session, as Precinct Registrar and Thomasville Township Chairman, and was appointed by Governor Dan Moore as a delegate to the National Democratic Convention in 1968; and

Whereas, Russell F. Van Landingham's service to the City of Thomasville, included the Thomasville Board of Education, Thomasville City Attorney, President and "Fund Drive" Chairman of the Thomasville United Fund, President of the Rotary Club and was a Paul Harris Fellow of Rotary; and

Whereas, Russell F. Van Landingham was also President of Thomasville High School and Kern Street School PTAs, President and Director of Thomasville Chamber of Commerce, a member of the Board of Directors of the Salvation Army, and a member of the Board

of Directors of the Thomasville Community Foundation; and

Whereas, Russell F. Van Landingham was appointed to Davidson County Community College Board of Directors and served on the Community General Hospital Board of Directors; and

Whereas, Russell F. Van Landingham was a member of the Memorial United Methodist Church where he was also a member of the R.L. Pope Bible Class, past Chairman of the Board of Stewards and formerly taught the Senior Young People's Class for more than 10 years; and

Whereas, Russell F. Van Landingham leaves his wife Evelyn Lyles, a daughter, Mrs. Carol V. Anthony, a son, Thomas R. Van Landingham, a sister, Mrs. Julia Wolf, and four grandchildren;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina expresses its appreciation for the life and public service of Russell F. Van Landingham, and honors his memory.

Sec. 2. The General Assembly of North Carolina extends its deepest sympathy to the family and friends of Russell F. Van Landingham for the loss of a beloved husband, father, brother, and friend.

Sec. 3. A certified copy of this resolution shall be transmitted by the Secretary of State to the family of Russell F. Van Landingham.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 28th day of April, 1987.

S.J.R. 540 **RESOLUTION 17**

A JOINT RESOLUTION HONORING THE MEMORY OF H. VINSON BRIDGERS, FORMER STATE SENATOR.

Whereas, H. Vinson Bridgers was born in Conway, on May 8, 1919, and resided in Halifax County, graduating from Enfield High School in 1935, and he subsequently attended and graduated from The University of North Carolina earning his B.S. degree in 1942 and his LL.B. degree in 1948; and

Whereas, H. Vinson Bridgers served his country in World War II on active duty in the Pacific theatre as a United States Marines Corps officer, rising to the rank of Major; and

Whereas, H. Vinson Bridgers was an active and well respected member of the legal profession, serving as a member of the Nash-Edgecombe County and the Seventh Judicial District Bar Associations,

the North Carolina State Bar, the North Carolina Bar Association and the Association of Trial Lawyers of America; and

Whereas, H. Vinson Bridgers served his community, his political party and the State of North Carolina as President of the Board of Directors for Edgecombe General Hospital, as Chairman of the Edgecombe County Democratic Party, and as North Carolina State Senator for the 4th Senatorial District comprised of Edgecombe, Halifax, Pitt and Warren Counties from 1967 to 1969; and

Whereas, while serving in the North Carolina Senate, H. Vinson Bridgers was a member of the following committees: Appropriations, Higher Education, Courts and Judicial Districts, Judiciary I, Wildlife, Inter-State and Federal Relations, Manufacturing, Labor and Commerce, Propositions and Grievances, Local Government, Public Utilities, and Salaries and Fees; and

Whereas, H. Vinson Bridgers resided in Tarboro until his death on October 16, 1986; and

Whereas, his service to his political party, profession, community, State and nation have been exemplary and merit high honor for himself, his family and his profession;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina pauses to commemorate the outstanding service and personal dedication of H. Vinson Bridgers to his profession, community, State and nation.

Sec. 2. The General Assembly of North Carolina wishes to express its deepest sympathy for the loss of H. Vinson Bridgers to his family.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of H. Vinson Bridgers.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of May, 1987.

S.J.R. 583 **RESOLUTION 18**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CAMERON S. WEEKS, FORMER MEMBER OF THE NORTH CAROLINA GENERAL ASSEMBLY.

Whereas, Cameron S. Weeks resided in Tarboro all of his life and was a loyal supporter of the Democratic Party until his death on September 23, 1986; and

Whereas, Cameron S. Weeks was a prominent member of the Edgecombe County Bar for more than 50 years, during which time he served as an Assistant Judge of the Edgecombe County Recorders Court from 1937 to 1940, as County Solicitor from 1940 to 1941, and as Judge of the Edgecombe County Recorders Court from 1942 to 1944. He later developed a reputation as one of Edgecombe County's best criminal defense lawyers; and

Whereas, Cam Weeks, as he was affectionately known, represented Edgecombe County in the North Carolina General Assembly, serving in the House of Representatives in 1941 to 1942 and in the Senate in 1953 to 1955 and again in 1965 to 1966 and in a Special Session of that body in 1967. He served as Chairman of Judiciary Committee I, Chairman of the Committee for the Blind, a Member of the Appropriations, Agriculture and many other committees; and

Whereas, Cam Weeks and his wife, Glennes, his devoted, able and constant companion, earned the confidence, respect and affection of his fellow legislators and constituents, and served them faithfully and well;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly wishes to recognize and commemorate the loyal, dedicated and effective service of Cameron S. Weeks to his County, Senatorial District and State.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Cameron S. Weeks.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of May, 1987.

H.J.R. 919 **RESOLUTION 19**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF JOSEPH ELLIOTT EAGLES, FORMER MEMBER OF THE NORTH CAROLINA GENERAL ASSEMBLY.

Whereas, Joseph Elliott Eagles was born on January 6, 1910, in Edgecombe County, and educated in the Wilson City Schools, Augusta Military Academy and Duke University; and

Whereas, Joseph Elliott Eagles, was the fifth generation of his family to live in Crisp, North Carolina; and

Whereas, Joseph Elliott Eagles was elected to the North Carolina General Assembly in 1960 and served with distinction for five terms,

during which he was a member of the Advisory Budget Committee, Chairman of the Banks and Banking Committee, Chairman of the Highway Safety Committee, a member of many other committees, and was the North Carolina Delegate to the United States Interstate Commerce Commission and traveled widely throughout all fifty states participating in and representing North Carolina at meetings pertaining to Commerce and traffic safety; and

Whereas, Joseph Elliott Eagles served as the first Director of the North Carolina Housing Authority and devoted much of his time for several years in traveling throughout North Carolina promoting Housing; and

Whereas, Joseph Elliott Eagles was active all of his adult life in various civic, community and religious activities, serving as a member of the Crisp Ruritan Club, the Tarboro Rotary Club, the Edgecombe County Farm Bureau, a Director of the Edgecombe Farmers Mutual Fire Insurance Company, President of the Crisp Power Company, a Director of the Edgecombe Bank and Trust Company and the Merchants and Farmers Bank; and

Whereas, Joseph Elliott Eagles was very active in Boy Scout work and was awarded the Silver Compass, the Silver Beaver and the Order of the Arrow; and

Whereas, Joseph Elliott Eagles was a faithful and active member of the Eagles Baptist Church; and

Whereas, Joseph Elliott Eagles married the lovely and devoted Mary Scott McLean in 1935 and they had a daughter, Jacqueline E. Peckmann, and a son, Joseph E. Eagles, Jr., and several grandchildren, who survive him; and

Whereas, Joseph Elliott Eagles was earnest in his efforts in all of his various activities, friendly in manner and disposition, possessed of a generous nature and a warm and infectious smile, and genuinely interested in the welfare of his friends, people of his community and of his State; and

Whereas, Joseph Elliott Eagles was a devoted husband and father, a faithful friend, a tireless worker and a delightful and much sought after companion; and

Whereas, Joseph Elliott Eagles has left behind him the finest example of a dedicated and persevering devotion to good government that all should seek to emulate; and

Whereas, Joseph Elliott Eagles was an effective and respected leader to whom other leaders at all levels of government in North Carolina looked for advice and assistance;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina wishes to recognize with deep gratitude and sincere appreciation Joseph Elliott Eagles' outstanding contribution to good government and to the enhancement of the quality of life in his State and community and for our rich and pleasant memories of a life well lived and generously shared.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Joseph Elliott Eagles.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of May, 1987.

S.J.R. 474 **RESOLUTION 20**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CARL DANIEL TOTHEROW, A FORMER MEMBER OF THE GENERAL ASSEMBLY.

Whereas, Carl Daniel Totherow was born April 16, 1921, in Belmont, Gaston County, the son of Clark C. and Mattie Hicks Totherow; and

Whereas, Carl Daniel Totherow was an astute and highly respected Winston-Salem businessman; president of Rawley and Apperson, Inc. (office suppliers); vice-president, Interior Designs Ltd.; and vice-president, Coliseum Plaza East (real estate); and

Whereas, Carl Daniel Totherow was a devoted family man, the husband to the former Thelma Hunter, and father to two daughters, Mrs. Carol Peterson and Mrs. Beverly Seay, and grandfather to six children; and

Whereas, Carl Daniel Totherow served his country faithfully during World War II as a member of the United States Air Force; and

Whereas, Carl Daniel Totherow worked diligently for the good of his community as a charter member, president, district governor, and international director of the Winston-Salem Sertoma Club and Sertoma International; Chapter Chairman of the American Red Cross; Director of the Winston-Salem Chamber of Commerce; president of the Winston-Salem Retail Merchant's Association; director and treasurer of the North Carolina Merchant's Association; and

Whereas, Carl Daniel Totherow was active in his dedication and service to the Democratic Party and made generous contributions of his time, talents, and resources to the party; and

Whereas, Carl Daniel Totherow was elected by the people of the 20th District and served in the North Carolina Senate in 1975 and 1977, and distinguished himself as Chairman of the Senate Insurance Committee; and

Whereas, Carl Daniel Totherow continued his service to the people of North Carolina as a consumer representative on the State Health Coordinating Council and member of the North Carolina Transportation Council; and

Whereas, Carl Daniel Totherow was appointed to the State Board of Community Colleges and served diligently, with integrity and loyal commitment to his work; and

Whereas, Carl Daniel Totherow's knowledge and insight into the legislative process made him successful and influential in promoting educational goals which continue to benefit students and faculty of the State Community Colleges; and

Whereas, Carl Daniel Totherow was dedicated in his service to the Ardmore United Methodist Church of Winston-Salem, including service as trustee and chairman of the Administrative Board, Chairman of the Council of Ministries, and as trustee of the Winston-Salem District of the United Methodist Church; and

Whereas, Carl Daniel Totherow touched the lives of those who knew him through his loyalty and generosity, leaving behind vivid memories of his strength and encouragement to others, his love of life, and his faith in God; and

Whereas, Carl Daniel Totherow, after a life of distinction and public service, died November 8, 1985 in Winston-Salem, North Carolina;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina honors the memory of Carl Daniel Totherow and expresses the deep gratitude and appreciation of this State and its citizens for his life and service to the State of North Carolina.

Sec. 2. The General Assembly of North Carolina expresses its deepest sympathy to the family of Carl Daniel Totherow for the loss of their loved one and this distinguished citizen.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Carl Daniel Totherow.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of May, 1987.

H.J.R. 719 **RESOLUTION 21**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF FORREST W. HUNT, FORMER SUPERINTENDENT OF SCHOOLS IN RUTHERFORD COUNTY.

Whereas, Forrest W. Hunt was the son of W.L. and Texie Davis Hunt and grew up in Rutherford County; and

Whereas, Forrest W. Hunt graduated from Forest City High School and Gardner-Webb College, and received degrees in math and social studies from Wake Forest College; and

Whereas, Forrest W. Hunt taught for nine years at Tri High School and was principal there from 1934 to 1960, and was principal at Chase High School for one year before becoming Superintendent of Rutherford County Schools in 1961 until his retirement; and

Whereas, Forrest W. Hunt was committed to the field of education serving in many capacities, as Director of the Western North Carolina High School Athletic Association and as a member of the Superintendents' Division of the North Carolina Association of Educators, the National Education Association, the North Carolina Teachers Association, and the American Association of School Administrators; and

Whereas, Forrest W. Hunt was dedicated to his community, serving on Board of Directors of Gardner-Webb College, Rutherford County Hospital, and First Federal Savings and Loan of Forest City, as former Director of the United Way of Rutherford County, as a Scout Master, and on the Superintendents Benefit Fund; and

Whereas, Forrest W. Hunt was active in sports; he played professional minor league baseball for the New York Yankees in 1936, signed with Cincinnati in 1944, coached a legion team in Rutherford County and Shelby, and served as a professional baseball scout for sixteen years for the Chicago Cubs and for six years for the San Francisco Giants; and

Whereas, Forrest W. Hunt was a member, former deacon and Sunday School Teacher of the Caroleen Baptist Church; and

Whereas, Forrest W. Hunt is survived by his wife, Katherine Faux Hunt, a son, Forrest W. (Skip) Hunt, Jr., two daughters, Mrs. Meredith McDaniel of Shelby, and Mrs. Teresa Otis of Dayton, Ohio, two sisters, Mrs. Ola Wilis and Mrs. Ethel Robbins of Forest City, three grandchildren, and two great grandchildren; and

Whereas, the General Assembly wishes to honor the life and memory of Forrest W. Hunt, a man devoted to his family, his friends, his profession, and to his community;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of Forrest W. Hunt and expresses the gratitude and appreciation of this State and its citizens, especially the people of Rutherford County, for his life and service to North Carolina.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Forrest W. Hunt.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of May, 1987.

H.J.R. 901 **RESOLUTION 22**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CLYDE MONROE NORTON, FORMER STATE SENATOR.

Whereas, Clyde Monroe Norton, the son of Jasper Monroe Norton and Sarah Hensley Norton, was born in Marion, North Carolina, on March 7, 1916; and

Whereas, Clyde Monroe Norton was a State Senator from 1965 to 1972 and provided leadership as chairman of both the Insurance and the Senate Election Laws Committees and as a member of the Select Appropriations, Appropriations, Banking, Insurance, Education, Election, Senate Rules and Regulations, Roads, Commerce, and State Utilities committees; and

Whereas, Clyde Monroe Norton was the Chairman of the Governor's Study Commission on Auto Liability Insurance and Rates from 1969 to 1971; and

Whereas, Clyde Monroe Norton was active in his community, serving as Vice-Chairman and member of the McDowell County Board of Commissioners from 1956 to 1964, as an Alderman for Old Fort City from 1948 to 1955, as a member and treasurer of the North Carolina Democratic Party Executive Committee for McDowell County, and as a North Carolina Delegate to the National Democratic Convention in Los Angeles, California, in 1960; and

Whereas, Clyde Monroe Norton was a member of the Western North Carolina Tomorrow Committee from 1980 to 1985 and a member of the Western Carolina University Board of Trustees from 1967 to 1975; and

Whereas, Clyde Monroe Norton volunteered and promoted historical and cultural projects, working closely with the North Carolina Department of Cultural Resources and the State Historical Board; and

Whereas, Clyde Monroe Norton was appointed to and served for eight years on the Museum and Historical Association, which oversees all historical sites and museums and museum activities; and

Whereas, Clyde Monroe Norton was active in the First Baptist Church in Old Fort, North Carolina, and served as a Deacon and Chairman of the Deacon Committee, and Sunday School Teacher; and

Whereas, the Clyde Monroe Norton Scholarship Fund was established in his honor to provide continuing support for scholarships for high school graduates from McDowell County who are attending Western Carolina University; and

Whereas, Clyde Monroe Norton married Janet Nodine on May 13, 1944, and had three children, Kenneth, Tommy, and Sarah; and

Whereas, the General Assembly wishes to honor the memory of Clyde Monroe Norton and recognize his many years of public service to the people of this State;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the memory of Clyde Monroe Norton and expresses the gratitude and appreciation of this State and its citizens for his life and devoted service to his community and to North Carolina.

Sec. 2. The General Assembly wishes to express its deepest sorrow for the loss of Clyde Monroe Norton to his family and friends.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Clyde Monroe Norton.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of May, 1987.

H.J.R. 777 **RESOLUTION 23**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ROBERTS H. JERNIGAN, JR.

Whereas, Roberts H. Jernigan, Jr. was born in Ahoskie on November 24, 1915, the son of Roberts Harrell Jernigan and Jessie Garrett; and

Whereas, Roberts H. Jernigan, Jr. attended Wake Forest College, received his degree from The University of North Carolina at Chapel Hill, and studied law at The University of North Carolina and additional business studies at the Wharton School of Finance and Commerce of The University of Pennsylvania; and

Whereas, Roberts H. Jernigan, Jr. was working in China at the

beginning of World War II, serving as manager of the Peking office of the Standard Vacuum Oil Company; and

Whereas, Roberts H. Jernigan, Jr. was imprisoned by the Japanese for 23 months; and

Whereas, upon his return to the United States, Roberts H. Jernigan, Jr. joined the United States Navy and served with honor from 1943 to 1946 attaining the rank of ensign; and

Whereas, during that time Roberts H. Jernigan, Jr. participated in the invasion of Southern France and fought with bravery to protect the liberties so dear to the people of his State and country; and

Whereas, Roberts H. Jernigan, Jr. married Linda Williams of Sanford on May 14, 1949; and

Whereas, Roberts H. Jernigan, Jr. was a farmer and businessman respected for his integrity, gentility, and interest in the people of his community; and

Whereas, Roberts H. Jernigan, Jr. was very active in community affairs, serving as president of the Ahoskie Rotary Club and a faithful member of the Episcopal Church; and

Whereas, Roberts H. Jernigan, Jr. served with distinction for 18 years as a member of the House of Representatives in the General Assembly of North Carolina; and

Whereas, Roberts H. Jernigan, Jr. dedicated his legislative career to serving the best interests of the people of the Roanoke-Chowan area and the State of North Carolina; and

Whereas, Roberts H. Jernigan, Jr. was a man of vision who recognized the need to take innovative measures to stimulate economic growth and development in the State thus assuring the people of his district and all citizens of North Carolina a secure and high quality of life; and

Whereas, Roberts H. Jernigan, Jr. sponsored and supported numerous pieces of legislation to achieve this goal, having been co-sponsor of a bill to fund general purpose airports, including Tri-County Airport, sponsor of legislation to establish the North Carolina Development Financing Authority to govern issuance of tax-exempt bonds for financing industrial plants and of legislation authorizing Roanoke-Chowan Technical College, and four other members of the North Carolina Community College System, providing instrumental support in the establishment of the East Carolina University School of Medicine, and endorsing legislation which benefitted senior citizens, law enforcement officers, teachers, State employees, and other deserving citizens of North Carolina; and

Whereas, Roberts H. Jernigan, Jr. cared very deeply about giving the people he represented an opportunity for a better life and a better future and served the State of North Carolina with generous

devotion until his death on March 13, 1986; and

Whereas, the General Assembly wishes to acknowledge the contributions made by Roberts H. Jernigan, Jr. and pay tribute to his dedicated public service;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the memory of Roberts H. Jernigan, Jr. and expresses the gratitude and appreciation of this State and its citizens for his life and service to North Carolina.

Sec. 2. The General Assembly expresses its deep sorrow to Linda Williams Jernigan for the loss of a beloved husband, to Roberts H. Jernigan, III, Elizabeth Jernigan Andrews, and Clawson Williams Jernigan for the loss of a father, and to Richard Lewis Andrews, Jr., Margaret Marshall Andrews, Elizabeth Judd Andrews and Robert Gray Jernigan for the loss of a grandfather.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Roberts H. Jernigan, Jr.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of May, 1987.

H.J.R. 778 **RESOLUTION 24**

A JOINT RESOLUTION HONORING THE BICENTENNIAL OF THE TOWN OF MURFREESBORO, NORTH CAROLINA, AND THE MEMORY OF ITS FOUNDERS.

Whereas, January 7, 1987, was the bicentennial of the incorporation of the Town of Murfreesboro; and

Whereas, great contributions were made to that town by its founders; and

Whereas, the Town of Murfreesboro was named for Colonel William Hardee Murfree, who donated the original tract of land for the establishment of the town; and

Whereas, Murfreesboro has been the home of many educational institutions, including: Wesleyan Female College, Hertford Academy and presently Chowan College; and

Whereas, Murfreesboro has also been home for many great people including: Colonel William Hardee Murfree, Chief Justice of the N. C. Supreme Court W.N.H. Smith, Dr. Walter Reed, Jessie J. Yeates, John Hill Wheeler, Dr. Godwin Cotton Moore and John Wheeler Moore; and

Whereas, Murfreesboro is known for its contributions to industry, agriculture, education, and for its historical significance; and

Whereas, the people of Murfreesboro, are honest, hard-working, and loyal citizens;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the bicentennial of the founding of the Town of Murfreesboro, and honors the memories of its founders.

Sec. 2. The Secretary of State shall send a certified copy of this resolution to the Town Clerk of the Town of Murfreesboro.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of May, 1987.

H.J.R. 963 **RESOLUTION 25**

A JOINT RESOLUTION HONORING BISHOP JAMES WALKER HOOD ON THE 100TH ANNIVERSARY OF THE RE-CHARTERING OF LIVINGSTONE COLLEGE BY THE NORTH CAROLINA GENERAL ASSEMBLY.

Whereas, James Walker Hood was born in Kenneth Township, Chester County, Pennsylvania, and the son of Levi and Harriet (Walker) Hood; and

Whereas, James Walker Hood went to school only a few months in New Castle County, Delaware, and Chester County, Pennsylvania, between 1841 and 1845; and

Whereas, upon reaching the age of twenty-one James Walker Hood was granted a license to preach and the next year was accepted by the New Haven Quarterly Conference of the African Methodist Episcopal Zion Church; and

Whereas, after being ordained a deacon in Boston, Massachusetts, in 1860, James Walker Hood served in Nova Scotia and served as a Missionary to the freedmen within the Union lines in North Carolina; and

Whereas, James Walker Hood served in New Bern, Charlotte, and Fayetteville, where he was a delegate from Cumberland County in 1868 to the Reconstruction Constitutional Convention held in Raleigh, North Carolina; and

Whereas, during that same year James Walker Hood was elected the first black Assistant Superintendent of Public Instruction for North Carolina Public Schools for two years; and

Whereas, James Walker Hood served as the first Grand Master of black Masonic Lodges in North Carolina; and

Whereas, James Walker Hood was elected a Bishop in the African Methodist Episcopal Zion Church on July 3, 1872, and later became the senior Bishop; and

Whereas, James Walker Hood was elected a delegate to the Ecumenical Conference in London in 1881, and in Washington, in 1891, and was the first black to preside over that body; and

Whereas, James Walker Hood was chairman of the Board of Trustees of Livingstone College at Salisbury, North Carolina, from its founding until his death in 1918; and

Whereas, in 1882 Bishop James Walker Hood traveled in 34 states helping to organize the denomination; and

Whereas, James Walker Hood's published works include : The Negro in the Christian Pulpit (1884), One Hundred of the Methodist Episcopal Zion Church (1895), and The Plan of the Apocalypse (1900); and

Whereas, Bishop James Walker Hood, in 1887, induced the North Carolina General Assembly to change the charter of Zion Wesley Institute to Livingstone College;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly wishes to honor James Walker Hood for his outstanding contributions on the 100th anniversary of the Charter of Livingstone College.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of James Walker Hood and to the Livingstone College Board of Governors.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of May, 1987.

H.J.R. 903 **RESOLUTION 26**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF GLENN ALEXANDER MORRIS, FORMER MEMBER OF THE NORTH CAROLINA GENERAL ASSEMBLY.

Whereas, Glenn Alexander Morris was born on November 9, 1908, in Marion, North Carolina, to Thomas and Mary Neal Morris; and

Whereas, Glenn Alexander Morris was educated at Riverside Military Academy in Gainesville, Georgia, and at Wake Forest

College; and

Whereas, Glenn Alexander Morris served in the United States Army in 1944; and

Whereas, Glenn Alexander Morris served as Vice-Chairman of the McDowell County Board of Commissioners from 1953 to 1959; and

Whereas, Glenn Alexander Morris retired as General Manager, after 37 years, from the Clinchfield Manufacturing Company in Marion, of which he was President for 20 years; and

Whereas, during Glenn Alexander Morris' eight years of service in the North Carolina House of Representatives, he served on several committees, including Chairman of the Employment Security Committee, Vice-Chairman of the Corporations Committee, and as a member of the Banks, Thrift Institutions, Manufacturing and Labor, Public Utilities, State Properties, Election Laws, Highway Safety, and Finance Committees; and

Whereas, Glenn Alexander Morris served on the Marion General Hospital Board of Governors from 1951 to 1968 and was chairman from 1954 to 1964; and

Whereas, Glenn Alexander Morris was devoted to his community, serving as president of the Marion Airport Commission for 10 years, as a member of the Board of Directors of The University of North Carolina at Asheville-Foundation, as a member of the Board of Directors of the First Union National Bank, and as a member of Asheville Board of Directors of the Wachovia Bank and Trust Company; and

Whereas, Glenn Alexander Morris was a Deacon and member of the First Presbyterian Church for 65 years; and

Whereas, Glenn Alexander Morris is survived by his wife, Augusta, and two sons, Glenn Alexander Morris, Jr., and James McGregor Morris, and two grandchildren; and

Whereas, the General Assembly wishes to honor the memory of Glenn Alexander Morris;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina wishes to honor the memory and life of Glenn Alexander Morris and expresses the gratitude and appreciation of this State and its citizens for his life and service to North Carolina.

Sec. 2. The General Assembly expresses its deepest sympathy to the family and friends of Glenn Alexander Morris for the loss of a beloved husband and father and a true friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Glenn Alexander Morris.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of May, 1987.

H.J.R. 991 **RESOLUTION 27**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF MARION HOLT "JACK" BROCK.

Whereas, Marion Holt "Jack" Brock was born on November 11, 1921, in Harnett County; and

Whereas, Marion Holt "Jack" Brock graduated from Erwin School; and

Whereas, Marion Holt "Jack" Brock joined the United States Army, fought in World War II, and after six years was discharged as Second Lieutenant; and

Whereas, Marion Holt "Jack" Brock was sworn in on September 9, 1963, on the Harnett County Board of Commissioners and continued to serve the Board for 23 years, ten of which he served as Chairman; and

Whereas, Marion Holt "Jack" Brock became the Harnett County Manager on December 2, 1974, and served in that capacity for the next twelve years; and

Whereas, Marion Holt "Jack" Brock was an outstanding county, State, and national leader; and

Whereas, Marion Holt "Jack" Brock was honored as the Outstanding County Commissioner of North Carolina in 1981; and

Whereas, Marion Holt "Jack" Brock served as President of the North Carolina Association of County Commissioners in 1973; and

Whereas, Marion Holt "Jack" Brock also served on the Board of Directors of the National Association of County Commissioners from 1975 until his death; and

Whereas, Marion Holt "Jack" Brock was a loyal and faithful member of the Democratic Party; and

Whereas, Marion Holt "Jack" Brock was a member of the Erwin United Methodist Church and served as Lay leader; and

Whereas, Marion Holt "Jack" Brock led an active life, serving as a Mason, a Shriner, a member of the Lions Club, and as a member of the Junior Order of American Mechanics; and

Whereas, Marion Holt "Jack" Brock died on July 3, 1986; and

Whereas, the General Assembly pauses to recognize Marion Holt "Jack" Brock for his many years of service to the State and to Harnett County, and expresses its sympathy to his wife, Martha Whitesell Brock, his son, Worth Brock, his friends, and his associates;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of Marion Holt "Jack" Brock and expresses the gratitude and appreciation of this State and its citizens for his life and devoted service.

Sec. 2. The General Assembly of North Carolina extends its heartfelt sympathy to the family and friends of Marion Holt "Jack" Brock for the loss of a loving husband and father and a true friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Marion Holt "Jack" Brock.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of June, 1987.

H.J.R. 91 **RESOLUTION 28**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF DR. RONALD E. MCNAIR, ASTRONAUT AND DISTINGUISHED SCIENTIST.

Whereas, Ronald E. McNair was born in Lake City, South Carolina, the son of Pearl M. McNair and Carl McNair; and

Whereas, Ronald E. McNair graduated from Carver High School in Lake City, South Carolina; and

Whereas, Ronald E. McNair arrived at North Carolina A&T University, a predominantly black institution, in September 1967, to pursue a degree in physics; and

Whereas, Ronald E. McNair went on to graduate in physics, with honors, and armed with the tools that would launch his career on a trajectory through graduate school, into industrial laboratories, and ultimately, aboard the space shuttle; and

Whereas, Ronald E. McNair received a doctor of philosophy degree from Massachusettes Institute of Technology in 1976 specializing in lasers; and

Whereas, Ronald E. McNair was involved in a number of internationally significant experiments that provided new understanding and applications for highly excited polyatomic molecules; and

Whereas, Ronald E. McNair published several papers in the areas of lasers and molecular spectroscopy and gave many presentations in the United States and Europe; and

Whereas, Ronald E. McNair was one of four blacks selected out of 11,000 applicants for the U.S. space program; and

Whereas, Ronald E. McNair was a member of NASA's space shuttle mission ST-11 aboard the Challenger in February 1984; and

Whereas, Ronald E. McNair was an accomplished jazz saxaphonist; and

Whereas, Ronald E. McNair was a black-belt karate master and a teacher of karate; and

Whereas, Ronald E. McNair was deeply committed to young people and helped to initiate a student space shuttle program at North Carolina A&T University; and

Whereas, Ronald E. McNair was a loving husband and father; and

Whereas, Ronald E. McNair died Tuesday, January 28, 1986, while serving as a mission specialist aboard the space shuttle Challenger; and

Whereas, Ronald E. McNair is survived by his wife, the former Cheryl Moore of Jamaica, New York, and two children, Reginald and Joy, and his parents, Mrs. Pearl M. McNair and Carl McNair;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina expresses its deep appreciation for the life, the accomplishments, and the courage of Dr. Ronald E. McNair and for the great service he rendered to science and to his country.

Sec. 2. The General Assembly of North Carolina extends its sympathy to the family and friends of Dr. Ronald E. McNair for the great loss they have suffered.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Dr. Ronald E. McNair.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of June, 1987.

H.J.R. 313 **RESOLUTION 29**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF MICHAEL SMITH, ONE OF THE CHALLENGER ASTRONAUTS.

Whereas, Michael Smith grew up on a 14 acre farm outside Beaufort, North Carolina; and

Whereas, Michael Smith always loved flying, earning his private pilot license and soloing for the first time on his 16th birthday; and

Whereas, Michael Smith to further a desire to be an astronaut, a desire that started in 1961 while observing the first manned space flights, attended the United States Naval Academy at Annapolis where he was voted Most Outstanding Senior by his classmates; and

Whereas, Michael Smith served his country as a pilot during the Viet Nam War where he flew 225 combat missions and won numerous medals; and

Whereas, after becoming a pilot-instructor he was chosen in 1980 to fulfill his dream and become an astronaut; and

Whereas, he was the pilot of the space shuttle Challenger when it tragically exploded on Tuesday, January 28, 1986, killing him and six other brave astronauts; and

Whereas, Michael Smith is survived by his wife, Jane Jarrell Smith, and three children, Erin Kennedy Smith, Alison Taylor Smith, and Michael Scott Smith, and by two brothers Pat Smith and Tony Smith both of Beaufort, and by a sister Ellen Leonard of Cary; and

Whereas, this son of Carteret County and of all of North Carolina brought much glory to his home town, his State and to his country before his sudden and tragic death watched by millions of people brought much deep sorrow and shock to people around the world while teaching all of us earthbound people much about courage and bravery;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina expresses its deep appreciation for the life, the accomplishments, and the courage of Michael Smith and for the great service he rendered to his country.

Sec. 2. The General Assembly of North Carolina extends its sympathy to the family and friends of Michael Smith for the great loss they have suffered.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Michael Smith.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of June, 1987.

H.J.R. 2153 **RESOLUTION 30**

A JOINT RESOLUTION SETTING THE DATE FOR THE HOUSE OF REPRESENTATIVES AND SENATE TO ELECT MEMBERS OF THE STATE BOARD OF COMMUNITY COLLEGES.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. Pursuant to G.S. 115D-2.1(b)(4)f., the House of Representatives and the Senate shall elect members to the State Board of Community Colleges during the regular sessions of the two houses held on Thursday, June 18, 1987. At that time the House of Representatives shall elect one member to the State Board for a term of six years beginning July 1, 1987; the Senate shall elect one member to the State Board for a term of six years beginning July 1, 1987.

Sec. 2. Each house shall follow the procedure set out in G.S. 115D-2.1 for nomination and election of members of the State Board.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 18th day of June, 1987.

H.J.R. 843 **RESOLUTION 31**

A JOINT RESOLUTION HONORING HUGH HAMMOND BENNETT, THE FATHER OF SOIL CONSERVATION, AND COMMEMORATING THE 50TH ANNIVERSARY OF THE BROWN CREEK SOIL AND WATER CONSERVATION DISTRICT.

Whereas, Hugh Hammond Bennett was born on April 14, 1881, near Wadesboro, North Carolina; died on July 7, 1960; and was buried in Arlington National Cemetery; and

Whereas, Hugh Hammond Bennett was the leader of the movement to create a national organization to address the problems of soil erosion; and

Whereas, the leadership of Hugh Hammond Bennett and others in this movement led to the enactment of the Soil Conservation Service Act in 1935 and the creation of the Soil Conservation Service of the United States Department of Agriculture; and

Whereas, there was implemented as a result of this movement a system of soil and water conservation districts to encourage and promote better soil and water conservation practices; and

Whereas, the Brown Creek Soil and Water Conservation District was created on August 4, 1937, and is the first such district created in the nation; and

Whereas, the Brown Creek Soil and Water Conservation District and other soil and water conservation districts have tapped and utilized the talents, knowledge, skills, and abilities of local citizens to implement and direct and educate others on soil conservation practices and techniques within the community; and

Whereas, the soil and water conservation district movement represents over 3,000 conservation districts covering nearly all of the United States and over 17,000 volunteers who dedicate their time, services, and skills as soil and water conservation district supervisors; and

Whereas, the Brown Creek Soil and Water Conservation District and the soil and water conservation district movement will be 50 years old August 4, 1987;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the life and memory of Hugh Hammond Bennett, the father of soil conservation, by commemorating August 4, 1987, as the 50th Anniversary of the establishment of the Brown Creek Soil and Water Conservation District, the first such district in the nation. The General Assembly expresses its gratitude for Hugh Hammond Bennett's leadership in the soil and water conservation district movement and for the efforts of the Brown Creek Soil and Water Conservation District and similar districts in this State and nationwide during the past 50 years in encouraging and promoting more efficient, advanced, and sound soil and water conservation practices. This resolution is hereby proclaimed to all soil and water conservation districts in North Carolina.

Sec. 2. The Secretary of State shall send a certified copy of this resolution to the family of the late Hugh Hammond Bennett and to the chairman of the Brown Creek Soil and Water Conservation District.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1987.

H.J.R. 1294 **RESOLUTION 32**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF HOWARD HOLLY.

Whereas, Howard Holly was born in Burgaw on October 24, 1922 and was the son of the late David Franklin and Agnes Ward Holly; and

Whereas, Howard Holly graduated from Campbell College in 1940; and

Whereas, Howard Holly served Pender County for 24 years as tax supervisor, Finance Officer, Personnel Officer, and Clerk to the Board of County Commissioners; and

Whereas, Howard Holly was honored as North Carolina's Outstanding Tax Supervisor in 1969 and as North Carolina's Outstanding Accountant in 1970; and

Whereas, Howard Holly gave much of his time to many religious, civic, education, and community activities, serving as a member of the Cape Fear Technical Institute Board of Trustees, a member of the Burgaw Town Board from 1951 to 1955, a member of the Pender County Board of Education from 1955 to 1961, and as President of the North Carolina Association of Finance Officers from 1973 to 1974; and

Whereas, Howard Holly was active in the Moore's Creek Battle Ground Association, having served as President and having played a major role in the 1976 Bicentennial Celebration; and

Whereas, Howard Holly was a devoted lifelong member of the Burgaw Baptist Church, serving as deacon, as vice president of the deacon board, as a Sunday School teacher, and having achieved a perfect Sunday School attendance record for 44 years; and

Whereas, Howard Holly died on August 30, 1986, leaves his wife, Elizabeth Page Holly, a sister, Lillian Holly Schertz of Altamonte Springs, Florida, and several nieces and nephews; and

Whereas, Howard Holly will be remembered by all who knew him as a devoted family man, a faithful Church member, a respected leader, and a true friend;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly wishes to honor the life and memory of Howard Holly and expresses its sympathy for the loss of Howard Holly to his family and friends, particularly those of Pender County.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the family of Howard Holly.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1987.

H.J.R. 2154 **RESOLUTION 33**

A JOINT RESOLUTION TO HONOR THE LIFE AND MEMORY OF HARRY LUTHER MINTZ, JR.

Whereas, Harry Luther Mintz, Jr., was born on December 13, 1916; and

Whereas, Harry Luther Mintz, Jr., came from a family dedicated to public service in that his father Harry Luther Mintz, Sr., was a farmer and rural mail carrier for over 30 years; his mother, Minta Tart Mintz, was chosen District Mother of the Year; his brother, the late John Hamilton Mintz served as Register of Deeds for Brunswick County; his brother, the late Rudolph I. Mintz, Sr., was a North Carolina Superior Court Judge and Chairman of the Board of Trustees of The Greater University System of North Carolina; his brother, Colin Shaw Mintz, Sr., served the North Carolina Agricultural Extension Service for many years; his brother, the late Leroy Mintz, Sr., taught agricultural sciences for many years at Shallotte High School; his brother, Frederick Mintz, Sr., was a farmer and merchant in Brunswick County; his brother, Elwood Mintz, was a faculty member at Pennsylvania State University; and his wife, Mary Wyche Mintz, taught in the public schools for 38 years and was named North Carolina's English Teacher of the Year in 1980; and

Whereas, Harry Luther Mintz, Jr., attended The University of North Carolina and was graduated from Pfeiffer College in Misenheimer where he served as president of his class and was voted "Best-All-Around-Student" by his peers; and

Whereas, Harry Luther Mintz, Jr., led a full life by completing the unexpired term of his brother, Rudolph I. Mintz, Sr., as Register of Deeds, by serving four years in the United States Army Air Force during World War II, by engaging in the mercantile business at Supply and Shallotte after the war and by serving as a parole officer from 1956 to 1974; and

Whereas, Harry Luther Mintz, Jr., served in the North Carolina House of Representatives in the 1951 General Assembly during which he sponsored legislation to protect wildlife and the commercial fishing industry and was appointed to the Rural Electrification Administration Commission of North Carolina by Governor Luther Hodges; and

Whereas, Harry Luther Mintz, Jr.'s, greatest accomplishment was his role in bringing telephone service to Brunswick County by establishing the Atlantic Telephone Membership Cooperative of which

he served as a member of the Board of Directors and as president from 1955 to 1974; and

Whereas, during his term as president, membership in the Atlantic Telephone Membership Cooperative increased from 530 to 5,652; and

Whereas, Harry Luther Mintz, Jr., was active in his church and in civic organizations serving as a member and former lay leader of the United Methodist Church, serving as a Mason and serving as member and past president of the Shallotte Lions Club; and

Whereas, Harry Luther Mintz, Jr., died on March 19, 1987, after a brief illness; and

Whereas, Harry Luther Mintz, Jr., leaves to mourn in addition to his brothers and his wife, Mary Wyche Mintz, two sons, Graham Wyche Mintz, Henry Luther Mintz, and a daughter, Mary McBryde Mintz; and

Whereas, Harry Luther Mintz, Jr., will be remembered for his many good deeds, including his service to the Atlantic Telephone Membership Cooperative, by the North Carolina General Assembly and by his family, friends, and all who loved him; and

Whereas, Harry Luther Mintz, Jr., will also be remembered by those whose lives he touched and helped to rehabilitate during his service as a parole officer;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of Harry Luther Mintz, Jr., and expresses the deep gratitude and appreciation of this State and its citizens for the dedicated service he has given.

Sec. 2. The General Assembly extends its deepest sympathy to the family and friends of Harry Luther Mintz, Jr.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Harry Luther Mintz, Jr.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1987.

S.J.R. 1545 **RESOLUTION 34**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF RAY D. MINGES, M.D.

Whereas, Ray Donald Minges was born August 15, 1920 in Claremont, North Carolina and later moved to Greenville, North

Carolina with his parents, Miles Otho and Myrtle Morrow Minges; and

Whereas, Ray Donald Minges was graduated from Greenville High School, Davidson College, where he earned a bachelor's degree, and the Medical College of Richmond, Virginia, where he was a member of Alpha Kappa Kappa national medical fraternity; and

Whereas, Ray Donald Minges served during his senior year at the Medical College in the Medical Corp of the Army as a First Lieutenant and Captain; and

Whereas, Ray Donald Minges married Virginia Waring from Richmond, Virginia on December 22, 1943; and

Whereas, Ray Donald Minges opened his private practice of General Surgery on February 1, 1954 in Greenville, then joined the staff at Pitt Memorial Hospital, and was Chief of Surgery and Chief of Medical Staff from January 1, 1960 until December 31, 1962; and

Whereas, Ray Donald Minges retired from private surgical practice in August 1970, but remained on staff of the Pitt Memorial Hospital, continued to assist other surgeons and give consultations, and was also awarded the first Pitt County Hospital Foundation Annual Service Award on November 5, 1981; and

Whereas, Ray Donald Minges was an active member of the First Presbyterian Church of Greenville, had been President of the Men's Fellowship, a Deacon, a Chairman, and an Elder; and

Whereas, Ray Donald Minges was part owner and served on the Board of Directors of the Pepsi-Cola Bottling Companies in Greenville, Kinston, and New Bern, North Carolina; and

Whereas, Ray Donald Minges was instrumental in organizing the first North Carolina Chapter of the Mental Health Association in 1956, traveled the entire State to form more chapters, and served as one of the first Presidents and as Director; and

Whereas, Ray Donald Minges was appointed to the Greenville Utilities Commission from June 1959 until May 1969 and then reappointed from March 1971 until March 1981, and was awarded a plaque for "Commission Emeritus" for 20 years of service on May 12, 1981; and

Whereas, Ray Donald Minges was a member of the Pitt County Wildlife Club for years and donated money to buy land for permanent wildlife club facilities and house; and

Whereas, Ray Donald Minges was an active supporter of East Carolina University, was a member of the Pirate Club, formerly the Century Club, served as its third president and its first life member, and became a life member of the East Carolina Education Foundation in 1974; and

Whereas, Ray Donald Minges was a successful leader and fund raiser, as he served on a fund drive to build Ficklen Stadium, then chaired a drive to expand the seating capacity of the stadium, which brought nine hundred thousand dollars ($900,000) to Greenville, and later was the chairman of a drive that raised one million dollars ($1,000,000) for the Eastern Carolina Vocational Center; and

Whereas, Ray Donald Minges was an active member of Greenville's Ducks Unlimited National Organization Chapter since 1969, serving as its President, a member of the Board of Directors, as its two hundred dollar ($200.00) Sponsor Chairman, a member of the National Board of Trustees from which he resigned in 1981, and received the Trustee Emeritus Award from the National Board; and

Whereas, Ray Donald Minges was a man devoted to his family, his church, his profession, his community, and his fellow man; and

Whereas, the General Assembly wishes to honor the memory of Ray Donald Minges and to express its sympathy to his wife, Virginia, his children, Pat, Ginger, and Tom, his brothers, Max, Hoyt, and Jack, and to his friends and associates;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina honors the life and memory of Ray Donald Minges and expresses its gratitude and appreciation of this State and its citizens for his life and service.

Sec. 2. The General Assembly expresses its deep sorrow to the family and friends of Ray Donald Minges for the loss of a beloved husband, father, and a true friend.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1987.

S.J.R. 1555 **RESOLUTION 35**

A SENATE JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF DANIEL KILLIAN MOORE, FORMER GOVERNOR OF NORTH CAROLINA.

Whereas, Daniel Killian Moore was born on April 2, 1906, in Asheville, to Fred and Lela Enloe Moore; and

Whereas, Daniel Killian Moore attended public schools in Sylva, was graduated with honors from The University of North Carolina with a B.S. degree in Business Administration in 1927, and later

attended The University of North Carolina Law School from 1927 to 1928; and

Whereas, Daniel Killian Moore was a member of Phi Beta Kappa; and

Whereas, Daniel Killian Moore's early career as the Attorney for Jackson County was interrupted when he volunteered and served with the Army Medical Corp in England and the Judge Advocate's Office in France from 1943 to 1945; and

Whereas, Dan K. Moore, as he was affectionately called, later served as the Legal Representative of the Jackson County Board of Education for 12 years and as Solicitor of the 30th Judicial District in 1945; and

Whereas, Dan K. Moore was appointed by Governor R. Gregg Cherry in 1948 to fill an unexpired term on the Superior Court bench, and subsequently was elected for an eight-year term; and

Whereas, Dan K. Moore's 10 years on the bench earned him the reputation for combining law and compassion; and

Whereas, Dan K. Moore served in the House of Representatives in the 1941 General Assembly; and

Whereas, Dan K. Moore's political ambitions led him to run for Governor of North Carolina in 1964, choosing a campaign on highway safety and was elected to serve from 1965 to 1969; and

Whereas, under Dan K. Moore's term as Governor many programs and services were expanded and increased, including industry, educational opportunities, advanced human relations, and State services; and

Whereas, Governor Dan K. Moore played an active role in increasing the public school appropriation, teachers' salaries, and the community college fund; helping to strengthen the Board of Higher Education with an 87.4% increase in appropriation; aiding in the largest capital improvement program (200 buildings) in the history of the State; and developing a one million dollar program for Negro Colleges; and

Whereas, Governor Dan K. Moore strongly supported the State Department of Agriculture and the Agricultural Extension Service at North Carolina State University and sought to increase the State's agricultural industry; and

Whereas, Governor Dan K. Moore's concern for the State's natural resources, conservation, and recreation contributed to the State's initial program in air pollution control; the further development of the State Recreation Commission; the addition of more land to the State Parks; recommendation of the Forestry Study Commission; and creation of an interagency council on natural resources; and

Whereas, Dan K. Moore was appointed on November 20, 1969, by Governor Robert W. Scott to a seat on the North Carolina Supreme Court, where he served with distinction until December 31, 1978, when he returned to the practice of law in the City of Raleigh. This service caused Dan K. Moore to be the only Governor of North Carolina to have served in the General Assembly, the Supreme Court and as Chief Executive of our State; and

Whereas, Dan K. Moore also served the State in other capacities, including his service as Vice-Chairman on the North Carolina Board of Water Resources from 1959 to 1964, as a member of the State Democratic Executive Committee, as a delegate to the State and National Democratic Party Conventions, and as precinct chairman; and

Whereas, Dan K. Moore was a member of the Division Counsel and Assistant Secretary of Champion Papers, Inc., in Canton, from 1958 to 1964; former Director of The University of North Carolina Law School Foundation; former Director of The University of North Carolina General Alumni Association; former member of the Morehead Scholarship Committee; and former member of the North Carolina Railroad Board of Directors; and

Whereas, Dan K. Moore was a leader and active in several civic and community organizations, including the Civitan Club, the Rotary Club, the Masonic Order, and was a member of the Edenton Street Methodist Church in Raleigh; and

Whereas, Dan K. Moore married Jeanelle Coulter of Pikeville, Tennessee, on May 4, 1933, and was the father of Mrs. Edgar B. (Edith) Hamilton, Jr., of Shelby and of Daniel Killian Moore, Jr., of Hickory; and

Whereas, Dan K. Moore died in September 1986; and

Whereas, Dan K. Moore will be remembered as the "soft-spoken mountain man", known for his quiet, unobtrusive approach with the legislature; and

Whereas, the General Assembly wishes to honor the memory of Governor Dan K. Moore and expresses its sympathy to his family;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly wishes to honor the life and memory of Governor Dan K. Moore and expresses its gratitude and appreciation for his life and service to his community and North Carolina.

Sec. 2. The General Assembly expresses its deep sorrow to the family and friends of Dan K. Moore for the loss of a beloved husband and father and true friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Daniel Killian Moore.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of July, 1987.

S.J.R. 522 **RESOLUTION 36**

A JOINT RESOLUTION HONORING THE MEMORY OF JOHN T. PATRICK, FOUNDER OF THE TOWN OF SOUTHERN PINES.

Whereas, John T. Patrick founded the village of Vineland in the heart of the North Carolina Sandhills in 1884; and

Whereas, he laid out the townsite and named the streets after northern states from which he hoped to, and did, attract new residents; and

Whereas, he then decided to give the community a more descriptive name and it was incorporated as Southern Pines on March 7, 1887; and

Whereas, the Town of Southern Pines turned out in full measure on March 7, 1987, to celebrate its 100th birthday;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly wishes to honor John T. Patrick, the founder of the Town of Southern Pines.

Sec. 2. The Secretary of State shall transmit a certified copy of this resolution to the Town of Southern Pines.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 22 day of July, 1987.

H.J.R. 2165 **RESOLUTION 37**

A JOINT RESOLUTION SETTING THE TIME FOR ADJOURNMENT OF THE 1987 GENERAL ASSEMBLY TO RECONVENE IN 1988, AND LIMITING THE SUBJECTS THAT MAY BE CONSIDERED IN THAT SESSION.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. At 2:00 P.M. on Friday, August 14, 1987, the Senate and the House of Representatives shall adjourn to reconvene at noon on the second day after the date set by law for a 1988 second

primary. During that session only the following matters may be considered:

(1) Bills directly affecting the State budget for fiscal year 1988-89, provided that no appropriations bill may be filed for introduction in the Senate or introduced in the House after June 16, provided further that no member may introduce more than five appropriations bills under the provisions of this subdivision.

(2) Bills introduced in 1987 and favorably acted upon in the house in which introduced, received in the other house, and not disposed of in the other house by tabling, unfavorable committee report, indefinite postponement, or failure to pass any reading.

(3) Bills implementing the recommendations of study commissions authorized or directed to report to the 1988 Session, except that no constitutional amendment so recommended shall be considered; provided that any bills authorized by this subdivision must be filed for introduction no later than 5:00 p.m. on the Wednesday after the 1988 Session convenes.

(4) Any local bill filed for introduction by 5:00 p.m., on the Wednesday after the 1988 Session convenes and accompanied by a certificate signed by the principal sponsor stating that no public hearing will be required or asked for by a member on the bill, the bill is noncontroversial, and the bill is approved for introduction by each member of the Senate and House whose district includes the local area to which the bill applies.

(5) Selection or confirmation of members of State boards and commissions as required by law, including the filling of vacancies of positions for which the appointees were elected by the General Assembly upon recommendation of the President of the Senate, President Pro Tempore of the Senate, or Speaker of the House.

(6) Any matter authorized by joint resolution passed during the 1988 Session by two-thirds majority of the members of the House of Representatives present and voting and by two-thirds majority vote of the membership of the Senate. Provided that no memorializing, celebration, commendation or commemoration resolutions may be authorized. A bill or resolution filed in either house under the provisions of this subsection shall have a copy of the ratified enabling resolution attached to the jacket.

(7) Any bills affecting any State or local pension or retirement system.

(8) Joint resolutions, House resolutions, and Senate resolutions pertaining to Section 5(10) of Article III of the Constitution of North Carolina.

(9) A joint resolution adjourning the 1987 Session.

Sec. 2. The President of the Senate and the Speaker of the House may jointly authorize appropriate committees or subcommittees of their respective houses to meet during the interim between sessions to review matters related to the State budget or any other matter as they deem appropriate for the 1988-89 biennium and to prepare reports, including revised budgets, for consideration at the 1988 Session.

Sec. 3. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of August, 1987.

HOUSE RESOLUTION 2161

Adopted 8/14/87

A HOUSE RESOLUTION DISAPPROVING EXECUTIVE ORDER 35, WHICH PROPOSED TRANSFERRING THE STATE INFORMATION PROCESSING SERVICES (SIPS) TO THE OFFICE OF THE STATE CONTROLLER.

Whereas, Section 5(10) of Article III of the Constitution of North Carolina provides that the Governor may make such changes in the allocation of offices and agencies and in the allocation of these functions, powers, and duties as he considers necessary; and

Whereas, that same section provides that if the changes affect existing law, they shall be submitted to the General Assembly, and they shall have the force of law upon adjournment *sine die*, unless specifically disapproved by resolution of either house of the General Assembly;

Now, therefore, be it resolved by the House of Representatives:

Section 1. In accordance with Section 5(10) of Article III of the Constitution of North Carolina, Executive Order 35 dated March 4, 1987, is disapproved.

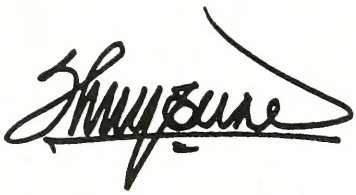
Sec. 2. This resolution is effective upon adoption.

STATE OF NORTH CAROLINA

DEPARTMENT OF STATE,

RALEIGH, AUGUST 14, 1987

I, THAD EURE, Secretary of State of North Carolina, hereby certify that the foregoing volume was printed under the direction of the Legislative Services Commission from ratified acts and resolutions on file in the office of the Secretary of State.



Secretary of State

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State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 26

EMERGENCY DROUGHT RELIEF

The drought conditions which have prevailed recently throughout North Carolina have caused extensive damage to the State's agricultural resources. I have determined that the damage has caused a state of emergency to exist and that it is so extensive that it exceeds the ability of local authorities to deal with it. In response to this damage, and the threat of greater harm as a result of the loss of crops, and with the gracious assistance of several other states in the Union, I have developed "Operation Hay" to provide assistance to the farmers and livestock in our state. Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina it is ORDERED:

Section 1: COORDINATING AGENCIES

The Department of Commerce and the Department of Agriculture are designated as the Coordinating Agencies for "Operation Hay" and are jointly charged with the duty to implement every phase of

the program, and shall work under the aegis of the State Emergency Response Team (S.E.R.T.), who shall provide staff, facilities and other support as may be required by the Coordinating Agencies. The Departments of Commerce and Agriculture shall coordinate the efforts of all cooperating agencies in the receipt and distribution of hay and livestock feed products from other states. These departments shall take care that this food and assistance is fairly distributed to the state's cattle and dairy farms.

Section 2: COOPERATING AGENCIES

The Departments of Crime Control and Public Safety, Transportation, Correction, Natural Resources and Community Development, and the Governor's Communication Office are hereby instructed to provide assistance, as directed, to the Coordinating Agencies.

The National Guard and the Air National Guard are also directed to provide such services and assistance as the Coordinating Agencies shall require and as I shall approve.

The North Carolina Extension Service, the Farm Bureau, The Grange, and the A.S.C.S. and the FmHA are requested to give full cooperation to the Coordinating Agencies in providing farm information, locating proper recipients, and such other services that may be helpful to the state's farmers.

Section 3: OUT-OF-STATE VEHICLES USED IN TRANSPORT

Vehicles which are transporting emergency supplies, hay, grain, farm supplies and other items to aid in the relief of this emergency and which are displaying valid license plates shall be

permitted to carry the maximum weights as provide in N.C.G.S. 20-118, not withstanding the local limit prescribed by the license procured for the vehicle.

The vehicles described in this section are exempt from the vehicle registration and tax requirements in Article 36B, subchapter 5 of the North Carolina Revenue Laws.

The Commissioner of the Division of Motor Vehicles of the Department of Transportation is directed to administer this section of this Order.

This Order is effective immediately and shall remain in effect until rescinded.

This the 23rd day of July, 1986.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State

State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 27

NORTH CAROLINA FUND FOR CHILDREN AND FAMILIES COMMISSION

The Governor's Commission on Child Victimization has determined that new programs are needed to assist, treat and rehabilitate victimized children and their families. It is further made to appear that private funds are available to sponsor such programs.

THEREFORE, by the authority vested in me as Governor by the Constitution and the laws of North Carolina IT IS ORDERED:

Section 1. ESTABLISHMENT

The North Carolina Fund for Children and Families Commission is hereby established under the Office of the Governor. The Commission shall administer the North Carolina Fund for Children and Families which shall provide resources for intervention and treatment for victimized children and their families. The Commission shall be composed of five (5) members who will be appointed by the Governor to serve two (2) year terms plus the

following three (3) cabinet officers or their designees who shall serve as ex-officio members: Secretaries of the Department of Administration, Department of Crime Control and Public Safety, and Department of Human Resources. The Governor shall also appoint a Chairman of the Commission who, in the discretion of the Governor, may or may not be a member of the Commission.

Section 2. FUNCTIONS

(a) The Commission shall meet regularly at the call of the Chairman and may hold special meetings at any time at the call of the Chairman or the Governor.

(b) The Commission shall have the following duties:

(1) Act as trustee for the North Carolina Fund For Children and Families.

(2) Assess the critical needs of victimized children and their families.

(3) Receive gifts, requests and devises for deposit and investment into the trust fund.

(4) Oversee investment of trust fund monies.

(5) Solicit proposals for programs which will be aimed at meeting identified service needs.

(6) Establish criteria for awarding of grants which shall include and emphasize the public-private partnership concept.

(7) Fund programs that in the discretion of the Commission, effectively and efficiently treat and rehabilitate victimized children and their familes.

(8) Present a report to the Governor at the end of each fiscal year.

(9) Make recommendations to the Governor for statewide replication of effective and efficient programs.

(c) The Commission is authorized to execute such additional documents, including trust agreements, as may be necessary in order to qualify contributions to the Fund as charitable donations under the Internal Revenue Code of 1954 and the corresponding sections of applicable State law.

Section 3. ADMINISTRATION

(a) A staff consisting of a director and other support staff may be employed to carry-out the duties and responsibilities of the Commission. The staff shall report directly to the Chairman.

(b) Members of the Commission may be reimbursed for travel and subsistence expenses as authorized by G.S. 138-5. Funds for reimbursement shall come from the receipts of the trust.

(c) The administrative costs of the Commission shall be provided by the Governor's Office.

(d) All funds administered by the Commission shall be subject to audit by the State Auditor.

Section 4. IMPLEMENTATION AND DURATION

(a) This order shall be effective immediately.

(b) This commission shall dissolve at the pleasure of the Governor. In the event of dissolution, the assets remaining in the fund will be turned over to one or more organizations which themselves are exempt as organizations described in Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1954 or

corresponding sections of any prior or future law, or to the Federal, State, or local government for exclusive public purposes.

This 8th day of September, 1986.



James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State

State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 28

PRIVATE DEVELOPMENT BONDS

WHEREAS, Section 103(n) of the Internal Revenue Code of 1954, as amended, established a Federal Volume Limitation upon the aggregate amount of Private Activity Bonds (also commonly referred to as "Industrial Development Bonds"), the interest upon which is exempt from federal income taxation, and

WHEREAS, pursuant to powers of the Internal Revenue Code, a prior Governor of the State of North Carolina issued Executive Order 113 to establish one state wide Resource of the Federal Volume Limitations on "Private Activity Bonds" and to establish that the Resource be managed by the North Carolina Department of Commerce, and

WHEREAS, this Resource has been managed so that the system represents a major advantage in the effort to locate new and better jobs in industry, and

WHEREAS, this Resource has been managed so that existing industry has been assured that they could finance their expansions and create new and better jobs with Industrial Revenue Bonds, and

WHEREAS, this Resource has also been adequate to finance the needs of North Carolina's airports, its student loan program, and municipal downtown development projects, and

WHEREAS, the United States Congress currently has before it the Tax Reform Act of 1986, a proposed law which will establish (1) a new Unified Volume Limitation for tax-exempt bonds which meet new definitions of "private activity" bonds, and (2) exact new delineations of such bonds to be included under these federal limitations as "private activity" bonds, and

WHEREAS, Section 103(n)(6)(B) of the Tax Reform Act of 1986 will require a detailed inquiry and study into the ways in which North Carolina can best and most fairly manage and utilize this Resource,

NOW, THEREFORE IT IS HEREBY ORDERED:

Section 1. DEFINITIONS

For the purposes of this order, terms will be defined as follows:

"Code" shall mean the Internal Revenue Code of 1954, as amended.

"Committee" shall mean the Interim Private Activity Bond Allocation Committee to be formed under this order.

"Issuer" shall mean the entity authorized to issue Private Activity Bonds, except that in the case of Private Activity Bonds issued pursuant to Article 22 of Chapter 160A of the General Statutes of North Carolina, or issued solely pursuant to regulations, rules, procedures or rulings of the Internal Revenue Service of the United States, "Issuer" shall mean the municipal corporation which approved the issuance of the bonds pursuant to such regulations, rules, procedures or rulings.

"Private Activity Bonds" shall have the meaning set forth in Section 103(n)(7) of the Code and any successor provision.

"Unified Volume Limitation" shall mean the total Bond Volume Limitation measured by the formula prescribed in federal legislation.

Section 2.

The "Interim Private Activity Bond Allocation Committee" is hereby formed. Howard Haworth, Secretary of the Department of Commerce, Charles C. Cameron, Executive Assistant to the Governor for Budget and Management, and Harlan E. Boyles, Treasurer of the State of North Carolina, shall constitute the membership of the committee. Secretary Haworth shall serve as Chairman. Each shall serve at the pleasure of the Governor and any vacancy may be filled by his appointment. The Committee is to (1) prepare for, and lead efforts in, studying the ways in which the State can best use this valuable resource, and (2) deliver to me within 45 days after enactment of The Tax Reform Act of 1986 the summary of those studies along with a recommendation for a course of action. In conducting this study, the Committee shall seek to identify all of those bond issuers to be affected by such legislation. As of this date, it is believed that this group of private activity bonds and Interested Advisors to those issuers will include:

NC Agricultural Finance Agency

NC Association of County Commissioners

NC Downtown Developers Association

NC Educational Assistance Authority

NC Health Services Division
(Soil & Hazardous Waste Section)

NC Housing Commissoin

NC Housing Finance Agency

NC Industrial Developers Association
Eastern NC Industrial Developers Association
Western NC Development Association

NC League of Municipalities

NC Local Government Commission

NC Department of Natural & Economic Resources
(Mainstreet Program)

NC Municipal Power Agency #1

NC Eastern Municipal Power Agency

NC State Ports Authority

NC Utilities Commission

The Committee shall request a statement from each issuer regarding its application for and its justification for specific volume capacity allocations for each of the years of 1986, 1987, 1988 and 1989. As part of its deliberations, the Interim Private Activity Bond Allocation Committee shall prepare estimates of year by year Bond Volume demand and submit those estimates to various interested parties, including the Lieutenant Governor and the Speaker of the House of Representatives for comment and recommendations as to how the State of North Carolina can (1) set priorities for allocations of capacity, and (2) provide for complete utilization of the total resource. Final recommendations to the Governor from the committee shall be directed toward (a) the immediate opportunity to completely use or "set aside" remaining elements of the 1986 resource by December 15, 1986, and (b) toward the design and implementation of the long term program for dealing with the volume capacity for the years of 1987, 1988 and 1989.

Section 3.

So as to provide for the orderly and prompt issuance of bonds over the next several days, weeks and months, the Committee, or its designee, shall issue allocations of capacity within volume limitations and definitions set up under federal legislation and continue to issue such allocations of capacity until such time as the Governor shall issue a detailed Executive Order as regards the use of this resource. Any allocation issued to comply with Section 103(n) of the Internal Revenue Code of 1954, as amended, shall

be considered an allocation made under the Tax Reform Act of 1986, and under any future Executive Order from this office.

Section 4.

This Executive Order shall become effective immediately.

This 23rd day of September 1986.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 29

GOVERNOR'S TASK FORCE ON RACIAL, RELIGIOUS AND ETHNIC VIOLENCE AND INTIMIDATION

It is the policy of the State of North Carolina to protect the right of every person in the State to live and work in peace and to be free of violence and intimidation, irrespective of race, religion or ethnic origin.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, it is ORDERED:

Section 1. There is hereby established the Governor's Task Force on Racial, Religious and Ethnic Violence and Intimidation.

Section 2. The Task Force shall consist of eleven persons to be named by the Governor. Each such person shall serve for a term beginning immediately and expiring December 31, 1988.

The Chairperson of the Task Force shall be named by the Governor. A Vice Chairperson and Secretary of the Task Force shall be elected by The Task Force members.

Section 3. The Task Force shall meet at least once a month, or as frequently as desired by the Task Force members. The first meeting of the Task Force shall be held as soon as possible after the appointment of its members.

Section 4. The Task Force shall perform such duties as are assigned to it by the Governor and shall work closely with the staff of the North Carolina Human Relations Council. The following shall be among its duties:

(a) Establish a uniform statewide system for reporting and recording incidents of racial, religious or ethnic violence and intimidation;

(b) Establish a statewide network through which information about hate group activity may be shared and used by organizations and agencies concerned with this problem;

(c) Establish a statewide assistance and support network for victims of racial, religious and ethnic violence and intimidation;

(d) Study present policies, procedures and laws concerning hate group activities and recommend changes or additions where necessary;

(e) Educate the public and law enforcement officials about racial, religious and ethnic violence and intimidation and provide counsel and advice to them in responding to hate group presence and activity.

Section 5. While on official business, members of the Task Force shall be entitled to such per diem and reimbursement for travel and subsistence as may be authorized for members of State Boards and Commissions generally. The North Carolina Human Relations Council staff shall provide the planning and administrative support for the Task Force.

Section 6. This Order shall become effective immediately and shall remain in effect until modified or rescinded by further Executive Order.

Done in Raleigh, North Carolina, the 2nd day of October, 1986.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 30

AMENDMENT TO EXECUTIVE ORDER NUMBER ONE (1)

Under Executive Order Number 1 issued on January 31, 1985, the North Carolina Board of Ethics was established to administer the Governor's requirements for public disclosure, ethics, and conflicts of interest. It has been made to appear that in order to properly perform its duties, the Board of Ethics should be enlarged to seven (7) members.

NOW, THEREFORE, IT IS ORDERED:

Section 2 on page two (2) of Executive Order Number One dated January 31, 1985, is amended to read as follows:

> Section 2. North Carolina Board of Ethics. There is hereby established the North Carolina Board of Ethics consisting of seven (7) persons to be appointed by the Governor to serve at his pleasure. The Governor shall, from time to time, designate one of the members as Chairman. The members shall receive no compensation, but shall receive reimbursement for any necessary expenses incurred in connection with the performance of their duties pursuant to General Statute 138-5. The Board of Ethics shall not be considered a public office for the purpose of dual office holding.

Each and every other section of Executive Order Number One dated

January 31, 1985, is continued in full force and effect.

Done in Raleigh, this the 15th day of December, 1986.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 31

AMENDMENT TO EXECUTIVE ORDER NUMBER 28

Under Executive Order Number 28 issued on September 23, 1986, the "Interim Private Activity Bond Allocation Committee" was formed and Howard Haworth, Secretary of the Department of Commerce, was made a member and Chairman of the Committee. Howard Haworth having resigned from the position of Secretary of the Department of Commerce and from the Interim Private Activity Bond Allocation Committee and Claude E. Pope having been appointed Secretary of the Department of Commerce, it is appropriate to appoint him to the Interim Private Activity Bond Allocation Committee and for him to serve as Chairman.

NOW, THEREFORE, IT IS ORDERED:

Section 1. The first three sentences of Section 2 on page 3 of Executive Order Number 28, dated September 23, 1986, are amended to read as follows:

The "Interim Private Activity Bond Allocation Committee" is hereby formed. Claude E. Pope, Secretary of the Department of Commerce, Charles C. Cameron, Executive Assistant to the Governor for Budget and Management, and Harlan E. Boyles, Treasurer of the State of North Carolina, shall constitute the membership of the Committee. Secretary Pope shall serve as its Chairman.

Section 2. All other portions of Section 2 and of each and every other section of Executive Order Number 28, dated September 23, 1986, is continued in full force and effect.

Done in Raleigh, North Carolina, this 21st day of January, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 32

GOVERNOR'S LITERACY COUNCIL

By authority vested in me as Governor by the Constitution and laws of North Carolina, it is ordered:

Section 1. ESTABLISHMENT

There is hereby established in the Office of the Governor, the Governor's Literacy Council. The Council shall be composed of not less than eleven (11) members appointed by the Governor to serve at the pleasure of the Governor. The Governor shall designate one (1) of the members as chairman. The members appointed by the Governor shall include the following:

The President of the Community College System,

The Superintendent of Public Instruction,

The Secretary of the Department of Cultural Resources,

A Representative from the Employment Security Commission,

A Representative from the North Carolina Literacy Council,

A Representative from the North Carolina University System,
A Representative from business and industry in
North Carolina,
The President of the North Carolina Association of
Independent Colleges and Universities,
Two Representatives from the Governor's Office, and
A Cabinet Officer from the Governor's Cabinet

Section 2. FUNCTIONS

(a) The Council shall meet regularly at the call of the chairman and will hold special meetings at any time at the call of the chairman or the Governor. The Council is authorized to conduct public hearings.

(b) The Council shall have the following duties:

(1) To serve as a forum for constituencies concerned with adult literacy.

(2) To facilitate coordination of programs and linkages between agencies, organizations and groups concerned with literacy.

(3) To identify issues, problems, and solutions for increasing literacy in North Carolina.

(4) To serve as an advisory group to the Governor on problems and recommendations for eliminating illiteracy in North Carolina.

(5) To issue a report on or proposed solutions to state of literacy in North Carolina.

(6) Other duties as assigned by the Governor.

Section 3. ADMINISTRATION

(a) Support for the Council shall be provided by such departments and agencies as the Governor from time to time shall direct.

(b) Members of the Council shall be reimbursed for necessary travel and subsistence expenses authorized by General Statute 138-5. Reimbursements of such expenses shall be paid by such departments and agencies as the Governor from time to time shall direct.

Section 4. IMPLEMENTATION AND DURATION

(a) This order shall be effective immediately.

(b) The Council shall dissolve at the pleasure of the Governor but no later than February 1, 1989.

This order is effective this 16th day of February, 1987.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 33
AMENDING EXECUTIVE ORDER NUMBER 1
EXTENDING EXPIRATION DATE OF EXECUTIVE ORDER NUMBER 1
TO JANUARY 29, 1989

Executive Order Number 1 issued on January 31, 1985, and amended by Executive Order Number 30 expires on January 31, 1987. It has been made to appear that this Executive Order should continue in effect.

NOW, THEREFORE, IT IS ORDERED that Executive Order Number 1 dated January 31, 1985, is extended for two years up to and through January 29, 1989.

This action is effective this the 30th day of January, 1987.

James G. Martin
James G. Martin
Governor

ATTEST:

Thad Eure
Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NO. 34

GOVERNOR'S PROGRAM TO ENCOURAGE BUSINESS ENTERPRISES OWNED BY MINORITY, WOMEN AND DISABLED PERSONS

It is my policy that the State of North Carolina shall enhance and promote economic opportunities for all of its citizens without regard to race, gender or handicap.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, it is ORDERED:

Section 1. Establishment

(A) There is hereby established the Governor's Program to Encourage Business Enterprises Owned by Minority, Women and Disabled Persons.

(B) The Program shall be coordinated by the Governor's Director of Minority Affairs and administered by the Division of Purchase and Contract of the Department of Administration.

(C) The purposes of the Program are to enhance and promote economic opportunities for all of its citizens without regard to race, gender or handicap by:

(1) increasing the amount of goods and services acquired by the State from businesses owned by minorities, women and disabled persons;

(2) ensuring the absence of barriers that reduce participation of minorities, women and disabled persons in the State's purchasing process;

(3) encouraging the State's purchasing officers to identify prospective minorities, women and disabled vendors and service providers;

(4) promoting awareness among minorities, women and disabled persons of opportunities to do busines with State government.

(D) The Program objective for fiscal 1986-87 is for businesses owned by minorities, women and disabled persons to receive a minimum of four percent of the State's contract purchases. By order of the Governor, this percentage may be increased on an annual basis.

Section 2. Administration

(A) The Secretary of Administration shall provide assistance on a project basis to the Director of Minority Affairs.

(B) The Division of Purchase and Contract, Department of Administration shall assist each department in developing a plan and provide technical assistance to reach the set objectives.

(C) Each Department Head shall designate from the existing purchasing staff of such Department a coordinator for the

Program. The name of said designee shall be forwarded to the Director of Minority Affairs.

(D) The Minority Business Development Agency, Small Business Division of the Department of Commerce shall continue to certify that business enterprises owned by minorities, women and disabled persons are in fact owned by those classified entrepreneurs. This agency shall also provide technical assistance to businesses interested in the Program.

(E) The Division of Purchase and Contract shall prepare and make available a directory of business enterprises owned by minorities, women and disabled persons firms to departmental personnel to facilitate the accomplishment of the Program.

Section 3. Reporting and Evaluation

(A) The Director of Minority Affairs shall monitor and evaluate the Program and report on a quarterly basis to Department Heads. The Director shall also conduct review meetings with all coordinating agencies and Department Heads on an as needed basis.

(B) The Division of Purchase and Contract shall report purchases and contract opportunities and purchase and contract awards on a monthly basis to the Director of Minority Affairs.

Section 4. Prior Orders

All prior Executive Orders or portions of prior Executive

Orders inconsistent herewith are hereby repealed.

This Order is effective the 27th day of February, 1987.

James G. Martin
Governor

Thad Eure, Secretary of State
State of North Carolina



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 35
TRANSFERRING THE STATE INFORMATION PROCESSING SERVICES (SIPS)
TO THE OFFICE OF THE STATE CONTROLLER

Article III, Section 5(10) of the Constitution of North Carolina authorizes and empowers the Governor to make such changes in the allocation of offices and agencies and in the allocation of those functions, powers and duties as he considers necessary for efficient administration of State Government. N.C.G.S. 143B-12 authorizes and empowers the Governor to assign or reassign the duties and functions of the Executive Branch among the principal State Departments. The State Information Processing Services (SIPS), a Section of the Division of Governmental Operations of the Departrment of Administration created to provide those information processing services listed in N.C.G.S. 143-341(9), the telecommunication services listed in N.C.G.S. 143-340(14), and other related services to State Government, and to act as the

staff of the Computer Commission established pursuant to N.C.G.S. 143B-426.21, is currently under the supervision and control of the Secretary of the Department of Administration.

NOW, THEREFORE, IT IS ORDERED:

Section 1. SUPERVISION

The functions and powers of the Secretary of the Department of Administration relating to the administration of the State Information Processing Services (SIPS) are hereby transferred to the State Controller. These functions, powers and duties include but are not limited to the authority to carry out the provisions of N.C.G.S. 143-341(9), 143-340(14), the staff and services provisions of 143B-426.21, and any other duties that are currently or that may in the future be assigned to the State Information Processing Services (SIPS), either by statute or by agreement among the various State Departments, Commissions or other entities of State Government.

SECTION 2. EMPLOYEES

State employees currently employed by the State Information Processing Services (SIPS) who are under the supervision of the Department of Administration are hereby transferred to the supervision of the Office of the State Controller. Personnel transfers pursuant to this Order shall not affect an employee's pay grade, vacation leave, sick leave, retirement, or longevity.

This Executive Order is effective March 4, 1987, and shall remain effective unless rescinded by further Executive Order.

This the 4th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 36
GOVERNOR'S TASK FORCE ON THE FARM ECONOMY IN NORTH CAROLINA
AND
GOVERNOR'S ADVISORY COMMITTEE ON AGRICULTURAL PARKS

By authority vested in me as Governor by the Constitution and Laws of North Carolina, it is ORDERED:

Section 1. There is hereby established the Governor's Task Force on The Farm Economy in North Carolina.

Section 2. The Governor shall appoint at least thirty (30) persons as members of the Task Force. Members shall include representatives from the various areas of North Carolina in order that all rural regions of the State shall be represented. Members shall include representatives from:

A. Farmers engaged in the various aspects of farming practiced in North Carolina;

B. Food processors including seafood processors;

C. Wholesale and retail vendors of food in North Carolina.

D. Bankers; and

E. Representatives from colleges and universities involved in rural economic development.

In addition to those representatives set forth above, the following State agencies shall be represented by one or more members who shall serve as ex-officio advisors to the Task Force, as designated by the Governor: Department of Commerce, Department of Transportation, Department of Natural Resources and Community Development, State Budget Office, and Employment Security Commission.

The Governor shall designate the Chairman of the Task Force and all members shall serve at the pleasure of the Governor.

Section 3. The Task Force shall meet in Raleigh monthly or more often as directed by the Chairman. The Chairman is authorized to convene meetings or conduct hearings outside of Raleigh where he deems appropriate.

Section 4. The Task Force shall have the following responsibilities:

A. Assess immediate problems facing the farm economy in North Carolina and develop proposals for immediate action to solve those problems.

B. After consultation with the Governor's Advisory Committee on Agricultural Parks, make recommendations to the Governor for the development of agricultural parks in all sections of North Carolina.

C. Develop a comprehensive strategy to further the development of food processing in North Carolina.

D. Review and make recommendations to coordinate State agencies' activities with local rural leaders in improving the farm economy in North Carolina.

Section 5. There is hereby established a Governor's Advisory Committee on Agricultural Parks.

Section 6. The Governor shall appoint at least seven (7) persons as members of the Committee. The Governor shall designate the Chairman of the Committee; all members shall serve at the pleasure of the Governor

Section 7. The Advisory Committee shall meet monthly in Raleigh or more often as directed by the Chairman. The Chairman may convene meetings or conduct hearings outside of Raleigh when he deems appropriate.

Section 8. The Committee shall study the feasibility of developing agricultural parks in all sections of North Carolina and present its findings to the Governor's Task Force on The Farm Economy in North Carolina.

Section 9. The Department of Commerce shall provide necessary staffing and administrative support for the Task Force and the Advisory Committee, including per diem travel and subsistence for members of the Task Force and Advisory Committee. Other State departments and agencies shall assist the Task Force in its undertakings by rendering such technical advice and assistance to it as from time to time is requested.

Section 10. Members of the Task Force and Advisory Committee shall be entitled to such per diem and reimbursement for travel

and subsistence expense as may be authorized for members of state boards and commissions generally.

Section 11. This Order shall become effective immediately and shall remain in effect until terminated by further Executive Order.

Done in Raleigh, North Carolina, this 6th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 37
NORTH CAROLINA RESPONSE TO AND
MANAGEMENT OF FEDERAL RESTRICTIONS ON
PRIVATE ACTIVITY BONDS AND
LOW-INCOME HOUSING TAX CREDITS

As Governor of North Carolina it has been made to appear to me upon satisfactory information furnished to me as follows:

1. The Tax Reform Act of 1984 established a federal volume limitation on the aggregate amount of "private activity bonds" that may be issued by each state. The interest on private activity bonds is exempt from federal income taxation.

2. Pursuant to Section 103(n) of the Internal Revenue Code of 1954 as amended, a previous Governor of North Carolina issued Executive Order 113 proclaiming a formula for allocating the federal volume limitation for North Carolina.

3. On October 22, 1986, the Tax Reform Act of 1986, hereinafter referred to as the "Act" was enacted.

4. The Act establishes (a) a new unified volume limitation for private activity bonds on a state by state basis, (b) a

new definition of the types of private activity bonds to be included under those new limitations, (c) a new low-income housing credit to induce the construction of and the improvement of housing for low-income people, and (d) limits the aggregate use of this low-income housing credit on a state by state basis.

5. The Act provides for federal formulas for the allocation of these "state by state" resources, and also provides that individual states may, within certain limitations, provide different allocation formulas.

6. The Act gives interim authority for the Governor of each state to formulate and execute plans for allocation.

7. Section 146 of the Internal Revenue Code of 1986, as amended, and Section 42 of the Internal Revenue Code of 1986 as amended will require continued inquiry and study in the ways in which North Carolina can best and most fairly manage and utilize resources provided therein.

NOW, IT IS THEREFORE ORDERED, pursuant to the authority vested in me by the laws and the Constitution of North Carolina:

Section 1. Establishment.

The North Carolina Federal Tax Reform Allocation Committee, hereinafter referred to as the "Committee", is hereby established. The Committee is a continuation of the Interim Private Activity Bond Allocation Committee established under Executive Order 28 and amended under Executive Order 31. The

Secretary of the Department of Commerce, the Executive Assistant to the Governor for Budget and Management and the State Treasurer shall constitute the membership of this Committee. The Secretary of the Department of Commerce shall serve as Chairman of the Committee.

Section 2. Duties.

The Committee shall have the following duties:

A. Manage the allocation of tax exempt private activity bonds and low-income housing credits and receive advice from bond issuers, elected officials, and the General Assembly.

B. Continue to monitor bond markets, economic development financing trends, housing markets, and tax incentives available to induce events and programs favorable to North Carolina, its cities and counties, and individual citizens, and

C. Continue to study the ways in which North Carolina can best and most fairly manage and utilize the allocation of private activity bonds and low income housing credits.

D. Report to the Governor, Lieutenant Governor and the Speaker of the House of the General Assembly as requested and on not less than an annual basis.

E. Make the State Certification as described in Section 149(e) of the Internal Revenue Code of 1986, as amended, and may designate an individual to make this certification.

Section 3. Allocation.

To provide for the orderly and prompt issuance of private activity bonds and the use of low income housing credits there are hereby proclaimed formulas for allocating the unified volume limitation and the state housing credit ceiling. The unified volume limitation and the state housing credit ceiling each shall be considered as a single resource to be allocated under this Executive Order. The Committee shall issue allocations of the unified volume limitation and shall issue allocations of the state housing credit ceiling. The Committee shall set forth procedures for making such allocations and in the making of such allocations shall take into consideration the best interest of the State of North Carolina with regard to the economic development and general prosperity of the people of North Carolina.

Section 4. Effective Date and Expiration Date.

This Executive Order shall become effective immediately and will expire February 1, 1989.

This the 13th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 38

AMENDMENT TO EXECUTIVE ORDER NUMBER 32

By authority vested in me as Governor by the Constitution and laws of North Carolina, it is ordered:

Section 1. The Governor's Literacy Council was established pursuant to Executive Order Number 32, on the 16th day of February, 1987.

Section 2. The title of the Council formed by Executive Order 32 is hereby changed to the Governor's Commission on Literacy.

Section 3. All other sections and provisions of Executive Order 32 shall remain in effect.

This order is effective this 12th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 39

BOARD OF TRUSTEES OF THE
NORTH CAROLINA PUBLIC EMPLOYEE
DEFERRED COMPENSATION PLAN

Executive Order Number 109, executed on July 31, 1984, expired on July 30, 1986, in accordance with N.C.G.S. 147-16.2. This Executive Order established the Board of Trustees of the North Carolina Deferred Compensation Plan and the guidelines under which the plan was to be administered. The Deferred Compensation Program is an important part of the financial planning and security of the public employees of the State of North Carolina.

NOW, THEREFORE, IT IS HEREBY ORDERED:

Section 1. ESTABLISHMENT.

Pursuant to NCGS 143B-426.24, there is hereby established a Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan, which shall assume all authority, responsibilities and functions of the Board established on July 31, 1984, by Executive Order Number 109.

Section 2. MEMBERSHIP AND FUNCTIONS.

The membership of the Board and its duties shall be as provided in N.C.G.S. 143B-426.24. The terms of the members shall be as provided in N.C.G.S. 143B-426.24. The Secretary of Administration shall supply the Board with all administrative, legal, financial and personnel services that may be required by the Board. Guidelines for the funding for these services will be supplied by the Secretary of Administration as provided in N.C.G.S. 143B-426.24(1) and (m).

This Order shall be effective immediately.

Done in Raleigh, North Carolina, this the 16th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 40
GOVERNOR'S COMMISSION FOR THE FAMILY

The foundation of our great State is in jeopardy because of increasing threats to the family unit related to social, economic, health, stress and other factors.

The State of North Carolina must carefully consider ways government policies contribute to the problems which cause the weakening and break-up of the traditional family unit, in addition to promoting positive means of strengthening our nation's families.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, it is ordered:

Section 1. ESTABLISHMENT

The Governor's Commission For the Family is hereby established. The Commission shall be composed of at least twenty and not more than thirty members appointed by the Governor to serve at the pleasure of the Governor. The Governor shall designate one of the members as Chairman and one as Vice-Chairman. The Secretaries of the Departments of Human Resources, Natural

Resources and Community Development, Administration, Crime Control and Public Safety, and Cultural Resources shall be ex-officio members. The members appointed by the Governor shall be representatives from the following areas:

(1) Private business and community leaders;

(2) Law Enforcement;

(3) At least one representative of the North Carolina Fund for Children and Families Commission;

(4) Judicial System; and

(5) Volunteers who have exhibited an interest in family issues.

Section 2. FUNCTIONS

(1) The Commission shall meet regularly at the call of the chairman or the Governor. The Commission is authorized to conduct public hearings if it deems them to be necessary.

(2) The Commission shall have the following duties:

(a) Heighten public awareness of the need to strengthen families at the community level by involving civic, cultural, religious, and governmental leaders;

(b) Work with other groups interested in reducing economic stress for families;

(c) Review state laws, policies, and programs which have impact on families;

(d) Foster neighborhood development supportive of families (e.g. community-wide after-school and summer cultural recreational and sports programs, using public/private partnership approach);

(e) Advocate for education and support programs for all first-time parents and for families under stress because of disabilities and illnesses affecting family members;

(f) Advocate for workplace programs and policies supportive of families;

(g) Encourage private sector involvement and help to coordinate private groups and business activity in various areas identified as needs in today's society;

(h) Consider new prevention, intervention, and treatment programs designed to assist families, including health and safety issues;

(i) Review existing family strengthening activities within and outside North Carolina;

(j) Encourage the enforcement and further development of laws affecting abuse of children, spouses, and senior citizens;

(k) Coordinate the implementations of the recommendations of the Governor's Commission on Child Victimization;

(l) Work closely with the Judicial Coordinating Councils;

(m) Advocate for more adequate training about the prevention of family violence among professions in human services, law enforcement, and the judiciary;

(n) Encourage the use of volunteers in all programs involving families; and

(o) Work with the North Carolina Fund for Children and Families Commission.

Section 3. ADMINISTRATION

In support of the Commission, a staff of three will be created:

(1) An Executive Director, Deputy Director, and Administrative Secretary shall be appointed by the Secretary of the Department of Human Resources and serve at his pleasure. Funds shall be authorized and made available by the Department of Human Resources with possible assistance from other departments.

(2) Members of the Commission may be reimbursed for necessary travel and subsistence expenses as authorized by N.C.G.S. 138-5. Funds for reimbursement of such expenses shall be made available from funds authorized by the Department of Human Resources.

Section 4. IMPLEMENTATION AND DURATION

(1) This order shall be effective immediately.

(2) The Commission shall dissolve at the pleasure of the Governor, but no later than September 30, 1988.

Done in Raleigh, North Carolina, this 16th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 41
GOVERNOR'S TASK FORCE ON DEVELOPMENT OF PRIVATE SEED
VENTURE CAPITAL SOURCES

By authority vested in me as Governor by the Constitution and laws of North Carolina, it is ordered:

Section 1. ESTABLISHMENT

(a) There is hereby established the Governor's Task Force on the Development of Private Seed Venture Capital Sources.

(b) The Task Force shall consist of not less than twelve members who shall be appointed by the Governor. The Governor shall designate the chairman of the Task Force and all Task Force members shall serve at the pleasure of the Governor.

(c) Persons appointed shall be citizens who have demonstrated interest, involvement, or expertise in development of sources of venture capital.

Section 2. FUNCTIONS

(a) The Task Force is authorized to meeting regularly at the call of the chairman, the Governor, or the Secretary of the Department of Commerce.

(b) The Task Force shall have the following duties:

1. Determine the necessary steps to encourage development in North Carolina of a private seed venture capital fund, including any legislative changes.

2. Review and recommend mechanisms for coordination of available sources of private seed venture capital with identified needs for private seed venture capital.

3. Such other duties as may be assigned by the Governor or the Secretary of the Department of Commerce.

Section 3. ADMINISTRATION

(a) Heads of the State Departments and Agencies shall, to the extent permitted by law, provide the Task Force information as may be required by the Task Force in carrying out the purpose of this order.

(b) The Department of Commerce shall provide staff and support services as directed by the Secretary of the Department of Commerce.

(c) Members of the Task Force shall serve without compensation, but may receive reimbursement contingent on the availability of funds for travel and subsistence expenses in accordance with state guidelines and procedures.

Section 4. REPORTS

The Task Force shall present a report of recommendations to encourage development of a private seed venture capital fund to the Governor and the Secretary of the Department of Commerce by not later than the 1st day of September, 1987.

Section 5. PRIOR ORDERS

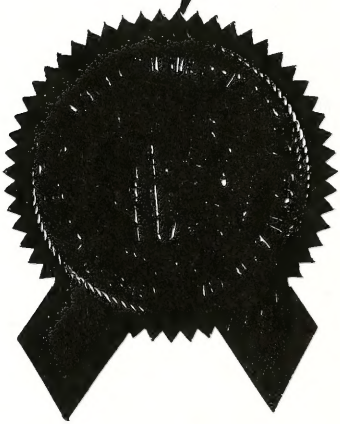
All prior executive orders or portions of prior executive orders inconsistent herewith are hereby repealed.

This order is effective this the 20th day of March, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 42

STATE BUILDING COMMISSION

By the authority vested in me as Governor by the Constitution and laws of North Carolina it is ORDERED:

(a) A State Building Commission is created within the Department of Administration to assist the Secretary of Administration in developing procedures to guide the State's capital facilities development and management program.

(b) The Commission shall consist of twelve members appointed by the Governor and qualified as follows:

(1) The Secretary of the Department of Administration who shall serve as Chairman.

(2) The State Budget Officer.

(3) A licensed architect whose primary practice is in the design of buildings.

(4) A registered engineer whose primary practice is in the design of engineered systems for buildings.

(5) A licensed building contractor whose primary business is in the construction of buildings.

(6) A licensed electrical contractor whose primary business is in the installation of electrical systems for buildings.

(7) A licensed real estate broker, or other person, whose primary business is in property and facilities management.

(8) A licensed mechanical contractor whose primary business is in the installation of mechanical systems for buildings.

(9) A manager of physical plant operations whose responsibilities are in the operations and maintenance of physical facilities.

(10) A certified planner whose primary practice is in urban design and land use planning.

(11) A public member who is knowledgeable in building construction or building maintenance.

(12) The Chairman of the Capital Building Authority.

In appointing members (3) through (10) the Governor shall seek and consider nominations from the professional associations, councils or institutes representing the various disciplines or professions.

The terms of the Secretary of the Department of Administration and the State Budget Officer shall be coterminous with their terms of office. The other 10 members shall be appointed for staggered two-year terms: Provided, however, the initial terms of members appointed pursuant to subdivisions (3), (5), (7), (9) and (11) shall expire June 30, 1990, and the initial terms of members appointed pursuant to (4), (6), (8), (10) and (12) shall expire June 30, 1989. Members may serve no more than six consecutive years.

Vacancies in appointments shall be filled by the Governor for the remainder of any unexpired terms. Persons appointed to fill vacancies shall qualify in the same manner as persons appointed for full terms.

(c) The Commission shall meet at least four times a year on or about January 15, April 15, July 15 and October 15, and upon the call of the chairman.

(d) Members of the Commission shall be reimbursed for travel and subsistence as provided in G.S. 138-5. Members who are State officers or employees shall be reimbursed for travel and subsistence as provided in G.S. 138-6.

(e) The State Building Commission shall have the following duties:

(1) To assist the Office of State Construction in developing an inventory of the State's buildings and their current conditions, identify future building needs and develop a statewide building and maintenance program to meet the current and future needs of the State and its agencies and institutions.

(2) To propose procedures to the Secretary of the Department of Administration for evaluating the work performed by designers and contractors on State capital improvement projects.

(3) To provide advice and assistance to the Capital Building Authority in establishing and implementing procedures and criteria for the selection of designers based on qualifications and experience to be applicable to all capital improvement projects.

(4) To propose rules to the Secretary of the Department of Administration for coordinating the plan review, approval and permit process for State capital improvement projects.

(5) To propose rules to the Secretary of the Department of Administration for establishing a post-occupancy evaluation, annual inspection and preventive maintenance program for all State buildings.

(6) To study and recommend ways to the Secretary of the Department of Administration to improve the effectiveness and efficiency for the planning, design, construction and operation of State facilities and acquisition, allocation, disposition and management of State-owned properties.

(7) To perform any other duties that may be assigned by the Governor.

(f) As used herein, "State Capital improvement project" means the construction of and any alteration, renovation, or addition to State buildings, as defined in G.S. 143-336, for which State funds, as defined in G.S. 143-1, are used and which is required by G.S. 143-129 to be publicly advertised.

(g) The Office of State Construction of the Department of Administration shall provide staff assistance to the State Building Commission.

(h) The Director of the Office of State Construction shall be a registered engineer or licensed architect appointed by the Secretary of the Department of Administration who is technically qualified by educational background and professional experience in building design, construction, or facilities management.

Done March 23, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 43
NORTH CAROLINA EMERGENCY RESPONSE COMMISSION

The Emergency Planning and Community Right-to-Know Act of 1986 enacted by the United States Congress, requires the Governor of each state to appoint a State Emergency Response Commission.

NOW, IT IS THEREFORE ORDERED, pursuant to the authority vested in me by the laws and the Constitution of North Carolina and the laws of the United States:

Section 1. ESTABLISHMENT

There is hereby established the North Carolina Emergency Response Commission, hereinafter referred to as the "Commission." The Commission shall consist of not less than eight members and shall be composed of at least the following persons:

The Secretary of the Department of Crime Control and Public Safety or his designee;
A representative of the Environmental Management Commission appointed by the Secretary of the Department of Natural Resources and Community Development;
A representative of the Radiation Protection Commission appointed by the Secretary of the Department of Human Resources;
A representative of the Health Services Commission appointed by the Secretary of the Department of Human Resources;
The Commissioner of the Department of Labor or his designee;

The Secretary of the Department of Transportation or his designee;
A representative of the North Carolina Association of County Commissioners appointed by the Governor;
A representative of the North Carolina League of Municipalities appointed by the Governor; and
Such other persons as who have technical expertise in the emergency response field and are appointed by the Governor.

The Secretary of the Department of Crime Control and Public Safety or his designee shall serve as chairman of the Commission and all members of the Commission shall serve at the pleasure of the Governor.

Section 2. DUTIES

The Commission is designated as the State Emergency Response Commission as described in the Act and shall perform all duties required of it under the Act, including, but not limited to the following:

(A) Appoint local emergency planning committees described under Section 301(c) of the Act and supervise and coordinate the activities of such committees.

(B) Establish procedures for reviewing and processing requests from the public for information under Section 324 of the Act.

(c) Designate emergency planning districts to facilitate preparation and implementation of emergency plans as required under Section 301(b) of the Act.

(d) After public notice and opportunity for comment, designate additional facilities that may be subject to the Act under Section 302 of the Act.

(e) Notify the Administrator of the Environmental Protection Agency of facilities subject to the requirements of Section 302 of the Act.

(f) Review the emergency plans submitted by local emergency planning committees and make recommendations to the committees on revisions of the plans that may be necessary to ensure coordination of such plan with emergency response plans of other emergency planning districts.

Section 3. ADMINISTRATION

(a) The Department of Crime Control and Public Safety shall provide administrative support and staff as may be required.

(b) Members of the Commission shall serve without compensation but may receive reimbursement, contingent on the availability of funds, for travel and subsistence expenses in accordance with state guidelines and procedures.

Section 4. EFFECTIVE DATE AND EXPIRATION

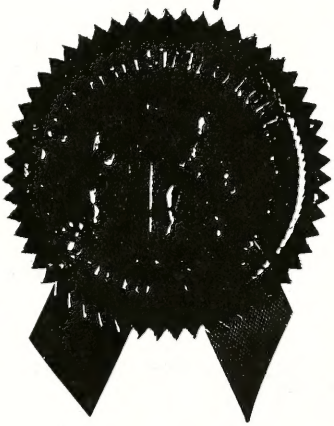
This executive order shall become effective immediately and will expire in accordance with North Carolina law two years from the date it is signed. It is subject to reissuance at expiration.

Done in the Capital city of Raleigh, this 7th the day of April, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 44

AMENDMENT TO EXECUTIVE ORDER 29
GOVERNOR'S TASK FORCE ON RACIAL, RELIGIOUS AND ETHNIC
VIOLENCE AND INTIMIDATION

The Governor's Task Force on Racial, Religious and Ethnic Violence and Intimidation was established under Executive Order Number 29 on the 2nd day of March, 1986 and provided that it was to consist of eleven (11) members. It has been made to appear to me that the Task Force should consist of not less than twelve (12) members and should include at least one American Indian.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 2 of Executive Order 29 is hereby amended to read as follows:

> Section 2. The Task Force shall consist of not less than twelve persons to be appointed by the Governor for a term to begin upon appointment and expiring on December 31, 1988. The membership of the Task Force shall include at least one American Indian.

The Chairman of the Task Force shall be appointed by the Governor and the Vice-Chairman and Secretary of the Task Force shall be elected by the members of the Task Force.

All other sections and provisions of Executive Order 29 not inconsistent herewith shall remain in full force and effect.

Done in Raleigh, North Carolina this 22nd day of April, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 45

THE GOVERNOR'S LANGUAGE INSTITUTES
ADVISORY BOARD

As Governor of North Carolina it has been made to appear to me upon satisfactory information furnished to me as follows:

1. Educational programs for teachers of foreign languages will improve the quality of education for students in North Carolina.

2. Improvement of foreign language teaching methods in the secondary schools of North Carolina will improve proficiency in foreign languages and enhance opportunities for foreign trade in North Carolina.

NOW, therefore, it is hereby ordered, pursuant to the authority vested in me by the laws and Constitution of North Carolina:

Section 1. ESTABLISHMENT

The Governor's Language Institutes Advisory Board, hereinafter referred to as the "Board" is hereby established. The Board shall be composed of not more than twelve (12) members

appointed by the Governor to serve at the pleasure of the Governor. The Governor shall designate one of the members to serve as Chairman. The State Superintendent of Public Instruction shall be an ex-officio member of the Board in addition to those persons appointed by the Governor.

Section 2. FUNCTIONS

The Board shall have the following duties:

(A) Oversee planning and operation of the Governor's Language Institutes which shall be located in various locations across the State to provide educational programs for North Carolina teachers of foreign languages,

(B) Select an external consultant to assist in the planning of the Governor's Language Institutes' programs and to recommend curriculum, instructors, location of Institutes, and sources of support; and

(C) Select a full-time Executive Director to manage the Institutes.

Section 3. ADMINISTRATION

(A) The State Department of Public Instruction shall provide administrative support and staff as may be required,

(B) Members of the Commission shall receive reimbursement from the State Department of Public Instruction, contingent on the availablity of funds, for travel and subsistence expenses in accordance with state guidelines and procedures.

Section 4. EFFECTIVE DATE AND EXPIRATION DATE

This Executive Order shall be effective immediately, and in accordance with North Carolina laws shall expire two years from date it is signed. It is subject to reissuance at expiration.

Done in the Capital City of Raleigh, North Carolina, this 22nd day of April, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 46

AMENDMENT TO EXECUTIVE ORDER NUMBER 40
GOVERNOR'S COMMISSION FOR THE FAMILY

The Governor's Commission For the Family was established by Executive Order Number 40 on March 16, 1987, as a means of strengthening our nation's families.

It has been made to appear that the important work of this commission can be furthered through the appointment of additional members by the Governor.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1 of Executive Order 40 is hereby amended to read as follows:

Section 1. ESTABLISHMENT
The Governor's Commission For the Family is hereby established. The Commission shall be composed of not less than thirty members appointed by the Governor to serve at the pleasure of the Governor. The Governor shall designate one of the members as Chairman and one as Vice-Chairman. The Secretaries of the Departments of Human Resources, Natural Resources and Community Development, Administration, Crime Control and Public Safety, and Cultural Resources shall be ex-officio members. The members

appointed by the Governor shall be representatives from the following areas:

(1) Private business and community leaders;
(2) Law Enforcement;
(3) At least one representative of the North Carolina Fund for Children and Families Commission;
(4) Judicial System; and
(5) Volunteers who have exhibited an interest in family issues

All other sections and provisions of Executive Order Number 40 shall remain in effect.

Done in Raleigh, North Carolina, this 22nd day of April, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 47
AMENDMENT TO EXECUTIVE ORDER NUMBER 27
"NORTH CAROLINA FUND FOR CHILDREN AND FAMILIES COMMISSION"

Under Executive Order 27 issued on September 8, 1986, the North Carolina Fund for Children and Families Commission, hereafter referred to as "The Commission," was established under the office of the Governor. It has been made to appear that for the efficient administration of this Commission it should be placed in the Department of Administration, under the Youth Advocacy and Involvement Office.

It has also been made to appear that in order to properly perform its duties, the Commission should be authorized to enter into an agreement with other entities to manage and invest and otherwise act as trustee for the North Carolina Fund for Children and Families, hereafter referred to as "The Fund."

Therefore, by authority vested in me as Governor, by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order 27 is hereby amended to read as follows:

Section 1. ESTABLISHMENT

The North Carolina Fund for Children and Families Commission is hereby established. The Commission shall administer the North Carolina Fund for Children and Families which shall provide resources for intervention and treatment for victimized children and their families. The Commission shall be composed of five (5) members who will be appointed by the Governor to serve two (2) year terms plus the following three (3) cabinet officers or their designees who shall serve as ex-officio members: Secretaries of the Department of Administration, Department of Crime Control and Public Safety, and Department of Human Resources. The Governor shall also appoint a Chairman of the Commission who, in the discretion of the Governor, may or may not be a member of the Commission.

Section 2. FUNCTIONS

(a) The Commission shall meet regularly at the call of the Chairman and may hold special meetings at any time at the call of the Chairman or Governor.

(b) The Commission shall have the following duties:

(1) Enter into an agreement with such persons, corporation or foundation, as the Commission in its discretion determines to be appropriate, to manage and invest monies contributed to the Fund. Such an agreement shall further provide that such persons, corporation or foundation shall:

(A) Act as Trustee for monies received by the North Carolina Fund for Children and Families.

(B) Receive on behalf of the Commission gifts, bequests, and devises for deposit and investment into the Fund.

(C) Oversee and manage the investment of monies in the Fund.

(D) Pay monies out of the Fund as directed by the Commission.

(2) Assess the critical needs of victimized children and their families.

(3) Receive gifts, bequests, and devises for deposit and investment into the fund.

(4) Solicit proposals for programs which will be aimed at meeting identified service needs.

(5) Establish criteria for awarding of grants which shall include and emphasize the public-private partnership concept.

(6) Fund programs that in the discretion of the Commission, effectively and efficiently treat and rehabilitate victimized children and their families.

(7) Present a report to the Governor at the end of each fiscal year.

(8) Make recommendations to the Governor for statewide replication of effective and efficient programs.

(c) If, after entering into the agreement described in subparagraph 1 of subsection (b) of this Section, the

Commission determines it is necessary to qualify contributions to the Fund as charitable donations under the Federal Tax Laws and the corresponding sections of applicable State laws, the Commission is authorized to execute such additional documents as may be necessary to qualify contributions to the Fund as charitable donations under the tax laws of the United States and corresponding sections of applicable State law.

Section 3. ADMINISTRATION

(a) A staff consisting of a director and other support staff may be employed by the Department of Administration to carry-out the duties and responsibilities of the Commission.

(b) Subject tc the availability of funds, members of the Commission may be reimbursed for travel and subsistence expenses as authorized by G.S. 138-5. Funds for reimbursement as are available may be paid from the receipts of the fund or from the Department of Administration.

(c) The administrative costs of the Commission shall be provided for by the Department of Administration.

(d) All funds administered by the Commission shall be subject to audit by the State Auditor.

Section 4. IMPLEMENTATION AND DURATION

(a) This order shall be effective immediately.

(b) This commission shall dissolve at the pleasure of the Governor. In the event of dissolution, the assets remaining in the fund will be turned over to one or more organizations which themselves are exempt as organizations described in Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future law, or to the Federal, State, or local government for exclusive public purposes.

Done in Raleigh, this the 28th day of April, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 48
AMENDMENT TO EXECUTIVE ORDER NUMBER 43
"NORTH CAROLINA EMERGENCY RESPONSE COMMISSION"

The North Carolina Emergency Response Commission was established by Executive Order Number 43 pursuant to the Emergency Planning Community Right-to-Know Act of 1986, enacted by the United States Congress.

It has been made to appear that the Secretary of the Department of Natural Resources and Community Development or his designee should be a member of this Commission.

Therefore, by the authority vested in me as Governor, by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. AMENDMENT

The following language that appears in Section 1 of Executive Order 43 describing the persons that are to compose the Commission is deleted:

"A representative of the Environmental Management Commission appointed by the Secretary of the Department of Natural Resources and Community Development."

and at the same place in the Executive Order that such language is deleted, the following language is added:

"The Secretary of the Department of Natural Resources and Community Development or his designee."

Section 2. CONTINUATION OF PREVIOUS EXECUTIVE ORDER

All other sections and provisions of Executive Order 43 shall remain in effect.

Done in Raleigh, North Carolina this 14th day of May, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 49
GOVERNOR'S ADVISORY COMMISSION ON MILITARY AFFAIRS

By the authority vested in me as Governor by the Constitution and laws of North Carolina IT IS ORDERED:

Section 1. ESTABLISHMENT

I hereby establish the Governor's Advisory Commission on Military Affairs which shall be successor to the Governor's Advisory Commission on Military Affairs created under Executive Order Number 11 dated June 28, 1985. The Commission shall be comprised of at least twenty-five (25) members appointed by the Governor to serve for a term of two (2) years. Membership shall consist of active and retired military personnel, State and local government officials, and local citizens who have an interest in or relationship to the military community. The Governor shall designate one of the members as Chairman who shall serve at the pleasure of the Governor.

Section 2. MEETINGS

The Commission shall meet regularly at the call of the chairman and may hold special meetings at any time at the call of the Chairman, the Governor, or the Secretary of Commerce.

Section 3. DUTIES

The Commission shall have the following duties:

(a) Provide a forum for the discussion of issues concerning major military installations in the State, active and retired military personnel and their families.

(b) Formulate goals and objectives which enhance cooperation and understanding between the military components, the communities, our congressional delegation, the general public, and State, federal, and local governments.

(c) Strengthen the State's role in securing defense related business for North Carolina businesses and in selling North Carolina products to North Carolina military bases.

(d) Collect and study information related to supporting and strengthening the military presence within the State.

(e) Review proposed military affairs legislation.

(f) Advise the Governor on measures and activities which would support and enhance defense installations and military families within the State.

Section 4. ADMINISTRATION

Support staff for the Commission shall be provided by the Department of Commerce. Members shall serve without compensation but may receive reimbursement contingent on the availability of

funds, for travel and subsistence expenses in accordance with State guidelines and procedures.

Section 5. RESCISSION OF PREVIOUS EXECUTIVE ORDER

Executive Order Number 11, dated June 28, 1985, is hereby rescinded. All records of the Governor's Advisory Commission on Military Affairs created pursuant to said executive order, are transferred to the Commission created herein. The Commission herein shall be the successor to the Governor's Advisory Commission on Military Affairs.

Section 6. EFFECTIVE DATE AND EXPIRATION

This Order shall be effective immediately and shall remain in effect until May 1, 1989, unless terminated earlier or extended by further Executive Order.

Done in the Capital City of Raleigh, North Carolina, this the 20th day of May, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 50

AMENDMENT TO EXECUTIVE ORDER NUMBER 43
"NORTH CAROLINA EMERGENCY RESPONSE COMMISSION"

The North Carolina Emergency Response Commission was established by Executive Order Number 43 pursuant to the Emergency Planning Community Right to Know Act of 1986 enacted by the United States Congress and was amended under Executive Order Number 48.

It has been made to appear that the Commissioner of the North Carolina Department of Agriculture or his designee should be a member of this commission.

THEREFORE, by authority vested in me as Governor by the laws and the Constitution of North Carolina and the laws of the United States, IT IS ORDERED:

Section 1. AMENDMENT

That portion of Section 1 of Executive Order 43 that describes the persons that are to compose the commission is amended after the words "the Commissioner of the Department of Labor or his designee;" by inserting the following language:

the Commissioner of the Department of Agriculture of his designee.

Section 2. Continuation of Previous Executive Orders

All sections and provisions of Executive Orders Number 43 and 48 not inconsistent herewith shall remain in effect.

Done in Raleigh, North Carolina, this 17th day of June, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 51
Extension of Executive Orders 3, 8, 9, 10, and 12
Extension and Amendment of Executive Orders 7, 13, and 14
and Rescission of Executive Order 19

It has been made to appear upon satisfactory information presented to me that my Executive Orders 3, 8, 9, 10, and 12 should be extended without modification.

It has also been made to appear to upon satisfactory information that Executive Order 7 should be extended and amended to change "Secretary of Administration" to "Assistant to the Governor for Strategic Planning and Policy Development" as the person to call meetings and be advised of proposed courses of action; that Executive Order 13 should be extended and amended to provide for one additional person for health professional associations as a member of the North Carolina Health Coordinating Council; that Executive Order 14 should be extended and amended to delete the Department of Administration as having a representative member and to change "Secretary of Administration" to "Assistant

to the Governor for Strategic Planning and Policy Development" as the person to call meetings and direct the Commission.

It has also been made to appear that Executive Order 19 should be rescinded because the State Personnel Commission is now performing the duties performed by the Governor's Commission for Recognition of State Employees.

Now therefore, pursuant to the authority vested in as Governor by the Constitution and laws of North Carolina IT IS ORDERED:

Section 1. EXTENSION OF EXECUTIVE ORDERS 3, 8, 9, 10, AND 12

The following Executive Orders are hereby reissued and extended through May 15, 1989:

Executive Order Number 3 entitled "North Carolina Advisory Council on Vocational Education",

Executive Order Number 8 entitled "Governor's Advisory Committee on Travel and Tourism",

Executive Order Number 9 entitled "North Carolina Public Transportation Advisory Council",

Executive Order Number 10 entitled "North Carolina Small Business Council", and

Executive Order Number 12 entitled "Governor's Highway Safety Commission".

Section 2. AMENDMENT AND REISSUANCE OF EXECUTIVE ORDER NUMBER 7 "WOMEN'S ECONOMIC ADVISORY COUNCIL"

a. Executive Order Number 7 is amended on line 3 of Section 2 and on line 4 of Section 3 by deleting the words "Secretary

of Administration" and adding in their place the words "Assistant to the Governor for Strategic Planning and Policy Development."

b. Sections 2 and 3 as amended herein and each and every other section of Executive Order Number 7 not inconsistant herewith are reissued and extended through May 15, 1989.

Section 3. AMENDMENT AND REISSUANCE OF EXECUTIVE ORDER NUMBER 13 "NORTH CAROLINA HEALTH COORDINATING COUNCIL"

(a) Executive Order Number 13 is amended on line 17 of Section 3 beginning after the words "other health professional associations" by deleting the numeral "2" and adding in its place the numeral "3" and amended on the line 28 of Section 3 after the word "total" by deleting the numeral "23" and adding in its place the numeral "24".

Said executive order is further amended on line 6 of Section 4 after the words "serving one year" by deleting the word "seven" and adding in its place the word "eight."

Said executive order is amended on line 4 of Section 10 after the words "executive order" by adding the words "and Executive Order 13."

(b) Sections 3, 4 and 10 as amended herein and each and every other section of Executive Order Number 13 not inconsistent herewith are reissued and extended through May 15, 1989.

Section 4. AMENDMENT AND REISSUANCE OF EXECUTIVE ORDER NUMBER 14 "GOVERNOR'S TASK FORCE ON DOMESTIC VIOLENCE"

(a) Executive Order Number 14 is amended on line 8 of Section 2 by deleting the words "the Department of Administration".

Said executive order is amended on lines 2 and 3 of Section 3 by deleting the words "Secretary of Administration" and adding in their place the words "Assistant to the Governor for Strategic Planning and Policy Development."

Said executive order is amended on lines 2 and 3 of Section 4 by deleting the words "the Secretary of the Department of Administration" and adding in their place "Assistant to the Governor for Strategic Planning and Policy Development."

Said executive order is amended on the line 4 of Section 6 after the word "order" by adding the words "and Executive Order 14."

(b) Sections 2, 3, 4, and 6 as amended herein and each and every other section of Executive Order Number 14 not inconsistent herewith are reissued and extended through May 15, 1989.

Section 5. RESCISSION OF EXECUTIVE ORDER NUMBER 19

Executive Order Number 19 is hereby rescinded.

Done in Raleigh, North Carolina this 14th day of July, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 52
VETERANS PREFERENCE IN JOB TRAINING
PARTNERSHIP ACT (JTPA) PROGRAMS

The State of North Carolina recognizes the unique contribution to the State and the Nation made by its citizens who have served in the Armed Forces of the United States, and is grateful for their service in the defense of this Nation and the preservation of peace.

It has been made to appear to me as follows:

1. The Job Training Partnership Act enacted by the United States Congress hereinafter "the Act" provides employment and training opportunities for economically disadvantaged individuals and for those who have barriers to employment; and

2. Veterans have been determined to be a group requiring special assistance under Sections 106(d)(3), 108(c)(2) and 123(c)(1) of the Act and Section 121(c)(3) of the Act provides for the Governor's coordination of programs and related services for individuals whom the Governor determines require special assistance; and

3. Service Delivery Areas and Private Industry Councils, as recipients of the Act's funds, have responsibility for planning and administering programs for eligible individuals in the State; and

4. Veterans should receive priority consideration for appropriate employment and training services and is striving within the confines of the law to serve Veterans through the Job Training Partnership Act; and

5. In accordance with the Act, criteria have been established for coordinating programs funded under the Act with programs and services provided by State and local education and training agencies.

NOW, therefore, it is hereby ordered, pursuant to the authority vested in me by the laws and Constitution of North Carolina:

Section 1. The State of North Carolina shall strive to give special consideration for employment and training opportunities to Veterans of the Armed Forces of the United States through the Act, or any similar or successor programs, with particular attention to eligible disabled Veterans and Veterans of the Vietnam era.

Section 2. Service Delivery Areas, as local decision makers, are encouraged to give appropriate consideration to Veterans in the design of their local programs.

Section 3. Service Delivery Areas shall involve representatives of Veteran's organizations when planning the Act's programs.

Section 4. Service Delivery Areas shall notify the appropriate District Veterans Service Officers of Private Industry Council meetings and work with the District Veterans Service Officers to establish appropriate cross-referral procedures.

Section 5. Service Delivery Areas shall provide District Veterans Service Officers with information regarding the Act's planning process, services available to Veterans, names of appropriate contact persons, eligibility requirements for the Act's programs and any additional information which may further the training and employment opportunities so richly merited by our Veterans.

Done in the Capital city of Raleigh, this the 30th day of July, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER 53
GOVERNOR'S INTER-AGENCY ADVISORY TEAM
ON ALCOHOL AND OTHER DRUG ABUSE

It has been made to appear to me as follows:

1. The dual dangers of alcohol and other drug abuse pose a growing threat to the continued progress and prosperity of North Carolina. The catastrophic effects of these hazards touch all segments of our population.

2. Several state agencies maintain alcohol and drug abuse programs, and to combat alcohol and drug abuse most effectively, it is essential for such state agencies to coordinate the development of these programs and delivery of these services.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, it is ORDERED:

Section 1. ESTABLISHMENT

The Governor's Interagency Advisory Team on Alcohol and Drug Abuse, hereinafter called the "Advisory Team," is hereby

established. The Advisory Team shall consist of not less than nine members and shall include the following:

Deputy Secretary of the Department of Correction, or his designee;

Executive Director of the Governor's Crime Commission, or his designee;

Director of the Division of Mental Health, Mental Retardation and Substance Abuse Services in the Department of Human Resources or his designee;

Director of Division of Youth Services in the Department of Human Resources, or his designee;

Assistant Director of State Bureau of Investigation, or his designee;

Director of Alcohol and Drug Defense in the Department of Public Instruction, or his designee;

Director of Youth Advocacy and Involvement Office, or his designee;

Director of the Governor's Highway Safety Program, or his designee.

The Chairman of the Governor's Council on Alcohol and Drug Abuse Among Children and Youth shall be the Chairman of the Advisory Team and the members shall serve at the pleasure of the Governor.

Section 2. FUNCTIONS

(a) The Advisory Team shall meet on at least a quarterly basis and may hold special meetings at any time at the call of the Governor, the chairperson, or three of its members.

(b) The Advisory Team shall have the following duties:

1. Coordinate existing state alcohol/drug programs and services in order to eliminate duplication and maximize the efficient use of resources;

2. Provide guidance and direction in the expansion, development, and implementation of new alcohol and other drug abuse programs;

3. Review the General Statutes of North Carolina applicable to alcohol and other drug abuse and prior to March, 1988, report to the Governor on proposed legislation that may be needed;

4. Perform such other duties as assigned by the Governor.

Section 3. ADMINISTRATION

(a) The Department of Administration shall provide administrative support and staff as may be required by the Advisory Team.

(b) Each agency shall defray any costs incurred by the appointee in carrying out the functions of this appointment.

(c) It shall be the responsibility of each Cabinet Department to make every reasonable effort to cooperate with the Advisory Team in carrying out the provisions of this order.

(d) The Division of Mental Health, Mental Retardation and Substance Abuse Services shall provide funding for the travel and subsistence costs incurred by the Chairman of the Advisory Team.

Section 4. EFFECTIVE DATE AND EXPIRATION

This Executive Order shall become effective immediately and will expire in accordance with North Carolina law two years from the date it is signed. It is subject to reissuance at expiration.

Done in the Capital city of Raleigh, this the 30th day of July, 1987.

James G. Martin
Governor

ATTEST:

Thad Eure, Secretary of State



NUMERICAL INDEX TO SENATE AND HOUSE BILLS

1987 GENERAL ASSEMBLY FIRST SESSION 1987

Ratified Number refers to the Session Law Chapter number except when preceeded by an R, in which case it refers to the Resolution number.

SENATE BILLS

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5	16	83	13	166	R9
8	338	85	21	167	84
9	11	90	11	170	70
10	4	93	76	171	63
12	R2	94	483	172	729
11	60	96	623	175	85
17	190	97	145	181	R16
19	18	101	626	182	772
20	27	104	6	184	340
21	89	107	563	187	64
22	602	110	796	193	146
23	43	111	3	195	341
24	12	113	568	200	375
26	213	114	437	202	481
27	431	115	480	206	365
29	44	116	38	207	91
30	439	119	R5	210	65
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37	137	121	90	216	105
42	5	123	235	217	852
45	440	128	653	221	450
47	24	130	514	222	698
48	633	131	757	224	376
49	401	137	551	225	114
53	390	138	188	227	366
55	73	141	39	229	704
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62	771	144	R6	231	189
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67	R10	146	R12	237	451
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261	484	399	418	508	797
263	471	400	273	510	442
265	482	401	860	512	676
276	92	402	400	513	752
278	155	403	497	518	205
280	156	405	675	519	192
288	634	406	161	520	379
290	344	407	203	522	R36
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293	853	409	739	525	614
294	590	410	547	535	773
299	452	413	515	536	350
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311	603	421	619	545	443
313	157	423	740	552	R36
315	699	425	243	553	649
316	345	428	758	554	214
318	577	433	227	555	517
319	329	449	723	557	312
323	714	455	648	558	453
327	346	457	657	559	292
328	368	459	330	560	293
330	618	460	348	561	294
332	158	462	331	563	831
337	548	464	441	569	578
338	377	466	731	573	276
341	417	468	369	575	552
343	591	471	498	580	351
344	674	473	604	583	R18
345	495	474	R20	585	638
347	485	475	750	592	839
348	549	476	569	597	658
350	656	479	391	602	716
351	654	480	516	604	840
358	764	482	526	607	774
370	613	484	854	610	206
374	159	489	751	612	402
375	848	491	837	613	420
384	730	492	204	616	593
387	179	494	838	618	403
389	496	495	401	621	605
390	160	496	275	622	606
393	749	500	250	623	732
394	378	501	274	629	454
396	347	505	349	630	705

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638	455
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643	870
647	759
648	553
653	486
654	760
657	851
658	104
662	595
668	818
672	775
674	110
679	624
680	518
682	500
685	814
687	124
689	404
692	313
693	309
700	352
705	216
709	636
711	717
714	706
719	741
736	228
738	841
739	798
740	462
743	444
748	659
749	871
751	742
752	637
755	855
757	353
759	765
762	761
768	421
771	799
772	678
777	776
780	325
781	807
782	392
783	607
784	687
791	766
792	692
795	660
813	354
817	639
818	519
820	650
821	651
822	445
824	501
825	707
829	640
840	502
841	596
852	777
853	800
854	570
861	680
862	681
865	520
868	422
870	641
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2	876	100	663	217	779
3	2	105	R7	218	251
4	112	106	31	220	55
5	R1	108	127	223	56
9	615	109	808	226	718
10	866	113	661	227	66
12	138	124	820	228	40
17	295	126	106	229	79
18	1	127	393	231	572
19	50	129	86	232	80
22	17	130	77	236	107
24	778	131	78	238	26
25	554	134	574	239	57
27	708	137	728	240	58
33	48	139	504	241	148
34	45	144	724	246	217
35	850	145	355	251	59
38	28	150	72	253	67
39	25	152	505	258	68
42	579	154	42	261	597
45	22	161	113	263	81
46	14	162	R11	265	780
47	207	164	446	267	809
48	7	166	709	270	176
49	19	169	33	271	625
50	20	170	768	272	75
51	8	175	162	273	R15
52	503	179	652	277	102
54	29	181	34	278	41
57	819	185	296	282	194
62	R3	186	100	283	183
64	9	187	101	284	218
70	23	188	144	285	719
71	180	191	177	286	333
74	15	192	473	287	69
75	193	193	664	289	49
77	405	194	277	290	252
78	139	196	52	291	744
79	244	198	601	296	128
80	30	200	571	298	573
82	10	204	93	301	74
83	662	207	240	302	R13
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314	94	449	255	551	370
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319	463	456	475	554	169
321	181	457	642	555	209
322	521	458	782	558	268
323	219	462	299	559	408
327	95	463	315	564	358
328	464	468	266	567	220
332	264	469	118	568	184
333	534	470	195	576	822
336	87	477	665	583	507
338	253	478	556	584	508
339	96	479	544	586	488
344	97	480	150	587	733
345	208	481	119	588	381
351	297	483	120	589	509
354	527	484	121	593	617
356	163	485	122	599	133
359	115	487	151	602	134
360	98	494	300	604	609
363	769	495	457	605	557
366	116	496	256	606	196
368	82	497	257	607	694
370	608	498	407	608	316
375	254	502	258	609	783
376	394	503	629	610	424
379	781	505	165	613	610
381	175	507	805	617	334
387	265	508	123	618	278
389	174	509	506	622	545
394	129	510	229	623	466
397	598	514	267	625	327
398	456	520	108	626	172
403	130	523	152	628	611
404	131	524	153	629	171
407	215	525	173	630	230
415	575	526	259	631	88
416	314	527	103	632	231
420	141	531	357	634	467
421	555	533	166	635	359
425	487	534	167	636	371
427	99	536	132	637	695
429	142	537	537	638	409
430	474	538	326	639	810
431	164	540	143	641	425
432	867	541	693	642	734
441	149	545	821	643	221
443	117	548	580	644	426

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648	666	729	317	820	721
649	489	736	429	823	632
650	468	737	318	824	305
655	301	738	233	829	199
659	222	741	186	831	710
660	135	742	811	834	812
661	170	744	683	835	746
663	682	746	785	840	582
664	382	747	490	841	842
665	223	748	248	843	R31
666	630	749	786	844	528
668	476	752	720	845	823
669	279	753	538	846	491
670	727	754	684	848	234
671	469	761	581	851	282
672	558	763	539	852	824
674	877	765	187	853	788
677	784	766	303	857	522
682	762	767	241	863	432
683	631	768	735	864	411
684	801	769	198	865	283
688	559	770	319	868	302
689	210	771	335	869	646
690	224	772	667	871	668
691	280	773	787	876	433
692	753	774	688	878	412
694	232	776	249	879	413
695	410	777	R23	884	261
696	281	778	R24	885	262
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Chatham Domestic Violence ..... 830(6(S1264))
Chatham Trades ..... 830(6(S1054))
Chatham White Pines ..... 830(6(H1502), (S1291)); 876(1(x)), (1(z))
Cherryville Museum ..... 830(6(H1454))
Cherryville Recreation ..... 830(6(S977))
Chicod Recreation ..... 830(6(H1548), (S1351))
Child Abuse Prevention Services ..... 830(6(S998))
Child Advocacy ..... 830(6(H2152))
Child Care Directions ..... 830(6(S1487))
Child Care Networks ..... 830(6(S1077))
Child Guidance Center ..... 830(6(H1679))
Choanoke Area Development ..... 830(6(H1626), (S1161), (12))
Clarkton High School Field ..... 830(6(H1882))
Clay Activity Bus ..... 830(6(H1758))
Cleveland Abuse Prevention ..... 830(6(S997))
Cleveland Arts Council ..... 830(6(S1037))
Cleveland Children's Center ..... 830(6(H1732))
Cleveland Historical Museum ..... 830(6(H1861))
Cleveland Kidney Association ..... 830(6(H1627))
Cleveland Library ..... 830(6(H1953))
Cleveland Dialysis ..... 830(6(H1440))
Cleveland Hospice ..... 830(6(H1863), (S999))
Cleveland Senior Center ..... 830(6(H1952))
Clinton High School Booster Club ..... 830(6(H1883))
Clinton Middle School ..... 830(6(S1048))
Clinton/Sampson Agri–Civic ..... 830(6(S1043))
Coastal Recreations ..... 830(6(H1403), (S1458))
Coastal Women's Shelter ... 830(6(H1472), (H1595), (H1820), (S1268))
Coharie Intertribal Council ..... 830(6(H1887))
Columbus Activity Center ..... 830(6(H1855))
Columbus Agricultural Building ..... 830(6(S1275))
Columbus Hospice, Inc. ..... 830(6(H1622))
Columbus Historic Judicial Building 830(6(H1690), (S1550))
Columbus Senior Citizens ..... 830(6(S1548))
Commercial Fisheries Development ..... 830(6(H1646), (H1648), (H1820), (S1170))
Conetoe Volunteer Fire Company ..... 830(6(H530))
Congregate Meals Program ..... 830(6(H385))
Council For Children ..... 830(6(H950))

Appropriations:—continued
Cove Creek Senior Citizens ..... 830(6(H2048))
Cramerton Community Center ..... 830(6(S980))
Cramerton Fire Truck ..... 830(6(S981))
Craven Arts ..... 830(6(H1579))
Craven County Aging 830(6(H1472), (H1578), (H1820))
Craven County Education ..... 830(6(S1133))
Craven Senior Citizens ..... 830(6(S1138))
Craven, Pamlico, Lenoir Projects 830(6(H1820)); 876(1(j))
Craven/Pamlico/Carteret Library ..... 830(6(S1132))
Creedmoor Recreation Center ..... 830(6(S1152))
Creedmoor Rescue Squad ..... 876(1(v))
Crossroads of Wilmington ..... 830(6(H1979))
Cued Speech Center .... 830(6(H2001), (S1329), (S1397))
Cumberland County Indian ..... 830(6(H1911), (H1941))
Cumberland County Sheriff's ..... 830(6(H1943))
Cumberland Public Library ..... 830(6(H1901))
Cumberland Rescue
Squad .... 830(6(H1829), (H1905), (H1917), (H1936))
Cumberland Senior Citizens ..... 830(6(H1911))
Cumberland Sheltered
Workshop ..... 830(6(H1906), (H1913), (S1244)
Cumberland Sickle Cell .. 830(6(H1323), (H1324), (S986))
Cunningham Museum ..... 830(6(H1570), (H1820))
Cystic Fibrosis Research ..... 830(6(H2031))
Dallas Capital Projects ..... 830(6(S979))
Danbury Public Library ..... 830(6(H1699))
Davidson Hot Meals ..... 830(6(H1798))
Davidson Museum ..... 830(6(S963))
Delta Arts Center ..... 830(6(H2009), (S1004))
Dickson House ..... 830(6(S1292))
Dillard Incubator ..... 830(6(H1696))
Diversified Opportunities, Inc. ..... 830(6(S1475))
Dobbins Heights Park ..... 830(6(S1227))
Dobson Community Center ..... 830(6(S1302))
Dobson Community Building ..... 830(6(H1660))
Domestic Violence Shelter and Services
of the Cape Fear ..... 830(6(S1543))
Dore Academy ..... 830(6(H2129))
Dry Ponds Community Club ..... 830(6(H392))
Dublin Community Building ..... 830(6(H1804))
Ducks Unlimited ..... 830(6(H2026))
Dunn Centennial Celebration ..... 830(6(H1542))
Duplin Agribusiness Council ..... 830(6(S1096))
Duplin Arts Council ..... 830(6(H1552))
Duplin Education Foundation .... 830(6(H1539), (S1360))
Duplin Fire Departments ..... 830(6(H1554))
Duplin Monument ..... 830(6(S1361))
Durham Arts Complex ..... 830(6(S966))

Appropriations:—continued
Durham Child Victim ..... 830(6(H1427))
Durham Day Care ..... 830(6(H1429))
Durham Dispute Center ..... 830(6(H1540))
Durham Housing Authority Youth 830(6(H1640), (S1148))
Durham Meals on Wheels ..... 830(6(H1637))
Durham Natural/Cultural Resources Inventory ..... 830(6(H1691))
Durham Omnibus ..... 830(6(H1691))
Durham Senior Citizens Coordinating Council ..... 830(6(H1639))
Durham Women's Council ..... 830(6(H1630)); 876(1(e))
Durham YWCA ..... 830(6(S1149)); 876(16)
Derossett House ..... 830(6(H2151))
E.C.U. Programs ..... 830(6(H1610))
East Arcadia Gym Restoration .... 830(6(H1809), (S1208))
East Carolina Boy Scouts ..... 830(6(S1376))
East Hamlet Community ..... 830(6(S1526))
East Side Day Care Service ..... 830(6(S1265))
Eastern Area Sickle Cell ..... 830(6(S308))
Eastern Carolina Home Health Services, Inc. 830(6(S1351)
Eastern Minority Development .... 830(6(H1576), (S1240))
Eastern North Carolina Tomorrow ..... 830(6(S1297))
Eastern Regional Jetport ..... 830(6(H224))
Eastover Community Park ..... 830(6(H1915))
EBC Child Care ..... 830(6(H1127))
Econo Force Industrial Services ..... 830(6(H325))
Eden Recreation ..... 830(6(S1325))
Edgecombe Rescue Squad ..... 830(6(H472), (S1422))
Edgecombe/Pitt Senior ..... 830(6(S1496))
Edgecombe/Wilson Rehabilitation ..... 830(6(S1475))
Educational Enrichment Program ..... 830(6(H1787))
Educational Excellence (Catawba) ..... 830(6(H1263))
Educational Search ..... 830(6(H512))
Eliada Home ..... 830(6(H1922), (S1184))
Elizabeth City Hopeline Fund ..... 830(6(S1348))
Elizabethtown Revitalization/Tory Hole Theatre ..... 830(6(H1812), (S1272))
Elkin Recreation Center ..... 830(6(H1661), (S1300))
Elm City Emergency Services ..... 830(6(S1324))
Emmanuel Senior Enrichment Center ..... 830(6(H1944))
Enfield Fire Department ..... 830(6(H1729))
Enfield Park Improvements ..... 830(6(H1729))
Enfield Rescue Squad ..... 830(6(H1729))
Enfield Senior Citizens ..... 830(6(H1729))
Erwin Center ..... 830(6(S1231))
Erwin Town Hall ..... 830(6(H1567))
Eure Volunteer Fire Department ..... 830(6(H1665))
Experiment in Self-Reliance ..... 830(6(H1995))

Appropriations:—continued
Ezzell Outreach Center 830(6(H1881), (H1998), (S1044))
Fair Bluff Community Projects .... 830(6(H1599), (S1223))
Fair Bluff Drainage ..... 830(6(S1551))
Fair Bluff Library ..... 830(6(H1852))
Fairmont Projects ..... 830(6(H1958))
Faison Center ..... 830(6(H1417))
Falcon Town Hall ..... 830(6(H1828), (S984))
Falkland Town Improvements ..... 830(6(H1634))
Falls Volunteer Fire Department ..... 830(6(H1715))
Families In Crisis ..... 830(6(H2003), (S1338))
Family Crisis Center ..... 830(6(S1052))
Family Housing Services ..... 830(6(H1378))
Family Services Center ..... 830(6(H556), (S1064))
Family Violence Intervention
Program of Region K ..... 830(6(H1507), (S1405))
Farmville Child-Developmental Center ..... 830(6(1800))
Farmville Community Arts
Council .... 830(6(H1728), (H1799), (S1474), (S1495))
Farmville Public Library ..... 830(6(H1728))
Farmville Recreation ..... 830(6(H1728))
Farmville Senior Citizens ..... 830(6(H1728), (S1496))
Farmville Town Projects ..... 830(6(H1728))
Fayetteville Area Projects ..... 830(6(H1323), (H1324))
Fayetteville Human Relations Council ..... 830(6(H1324))
Fayetteville Human Services ..... 830(6(S1244))
Fayetteville Martin Luther King, Jr.
Celebration ..... 830(6(H1323))
Fayetteville Minority Business ..... 876(28)
Fayetteville Museum of Art ..... 830(6(S1244))
Fayetteville/Cumberland Senior
Citizens ... 830(6(H1323), (H1324), (H1911), (H1942))
FIGS of Wake ..... 830(6(H2092))
Find My Child ..... 830(6(H1473))
"First In Freedom" ..... 830(6(H1729), (S962))
Flora MacDonald Educational Foundation ..... 876(1(i))
Florence Crittenton Services ..... 830(6(H1465))
Flynn Houses ..... 830(6(H1607))
Food Bank ..... 830(6(H2000), (S1539))
Foothills Art Council ..... 830(6(H1994))
Fountain Rural Volunteer Fire Department 830(6(S1116))
Fountain Town Improvements ..... 830(6(H1926))
Fourth of July Festival ..... 830(6(H1433), (S1344))
Frankie Lemmon
School .... 830(6(H1490), (H1715), (H2124), (S309))
Franklin Indigent Care ..... 830(6(H1935))
Franklin Park Pool ..... 830(6(H1833))
Franklin Rescue Squad/Fire Department ..... 830(6(S1398))
Franklin/Vance/Warren Preschool ..... 830(6(S1404))

Appropriations:—continued
Franklinton City Hall Renovation ..... 830(6(H1981))
Franklinton Senior Citizens ..... 830(6(S1471))
Fremont Health ..... 830(6(H1982))
Fremont Rescue Squad (Wayne) ..... 830(6(H1950))
"From This Day Forward" ..... 830(6(H304))
Fuquay Concession Stand ..... 830(6(S683))
Fuquay-Varina Recreation ..... 830(6(H2065))
Gaddy's Community Center ..... 830(6(H1835))
Gallery Theatre ..... 830(6(H1625), (S1073))
Garland Senior Center ..... 830(6(H1875))
Garner Fire Department ..... 830(6(H2069))
Garner Senior
Citizens ... 830(6(H388), (H2068), (S1254)); 876(1(w))
Garysburg Community Center ..... 830(6(H1665))
Garysburg Volunteer Fire Department ..... 830(6(H1665))
Gaston Battered Spouse Shelter ..... 830(6(S1025))
Gaston Museum ..... 830(6(S982))
Gate City Junior Tennis ..... 830(6(H1527))
Gates County Historical Society .... 830(6(H1351), (S971))
General Lee Museum ..... 830(6(S617), (S1359))
Gethsemane Enrichment Program 830(6(H2012), (S1372))
Gibson Renovation ..... 830(6(H1734))
Goldsboro City Teacher Awards ..... 830(6(S1163))
Goldsboro Developmental School ..... 830(6(H1675))
Goldsboro Rescue Squad (Wayne) ..... 830(6(H1950))
Good Fellows Club ..... 830(6(H1448))
Graham County Activity Bus ..... 830(6(H1431))
Graham County Community Center ..... 830(6(H1347))
Graham Fire Station ..... 830(6(H1425))
Graham School Bus ..... 830(6(S1444))
Grantham Rescue Squad ..... 830(6(H1950))
Grantsboro-Silverhill Volunteer Fire
Department ..... 830(6(H1605))
Granville Medical Center ..... 830(6(H1504))
Granville Projects ..... 830(6(H1504))
Granville Senior Citizens 830(6(H1504), (S1151), (S1235))
Granville/Person/Durham Projects 830(6(S1235)); 876(1(v))
Greater Wilmington Foundation ..... 830(6(H2007))
Greene Council on Aging ..... 830(6(H2101), (S1357))
Greene County Band ..... 830(6(H2018))
Greene County Retarded Citizens
Association ..... 830(6(H2038))
Greene County Teacher Awards ..... 830(6(S1164))
Greene Education Foundation ..... 830(6(S992))
Greene Fire Departments and
Rescue Squads ..... 830(6(H1999))
Greene Handicapped ..... 830(6(H2101))
Greene Projects ..... 830(6(H2101))

Appropriations:—continued
Greene Recreation ..... 830(6(H1967))
Greensboro Beautiful ..... 830(6(S922))
Greensboro Crime/Delinquency ..... 830(6(S1147))
Greensboro Holocaust ..... 830(6(H1524))
Greensboro NAACP Tutorial Program ..... 830(6(H1369))
Greensboro Woman's Club ..... 830(6(H1315))
Greenville A.M.E. Zion ..... 830(6(H1846))
Greenville Amphitheater ..... 830(6(H1775))
Greenville Art Museum ..... 830(6(H1776))
Greenville Fire Tower ..... 830(6(H1722))
Greenville Projects ..... 830(6(S1322))
Grifton Depot/Improvement ..... 830(6(H1781), (H1968))
Grimesland Improvements Fund .. 830(6(H1778), (S1351))
Guilford Library ..... 830(6(S1482))
Halifax 4-H Day Camp ..... 830(6(S970), (S1178))
Halifax County Projects ..... 830(6(H1729))
Halifax County School Libraries ..... 830(6(S1179))
Halifax Emergency Energy Assistance ..... 830(6(H1729))
Halifax Emergency Medical Services ..... 830(6(H1509))
Halifax Hospice ..... 830(6(H1729))
Halifax Law Enforcement Officers Memorial 830(6(H1729))
Halifax Projects ..... 830(6(H1509))
Haliwa-Saponi Tribe ..... 830(6(H1729))
Hamilton Fire Department ..... 830(6(H1817))
Hamilton Recreation Center ..... 830(6(S1072))
Hamilton Summer Youth Program ..... 830(6(H1817))
Hamlet Public Library ..... 830(6(H1602), (S1485))
Harlowe Community Center ..... 830(6(H1620), (H1820), (S1134))
Harmony Hall ..... 830(6(H1889))
Harnett "Quest"/Historical ..... 830(6(H1544))
Harnett Handicapped Skills ..... 830(6(H1624))
Harnett Uplift Operation ..... 830(6(S1255))
Harold D. Cooley Library ..... 830(6(H1649), (S1445)); 876(1(f))
Harrells Community Building ..... 830(6(H1876))
Harvey Gardens ..... 830(6(H1471), (H1572), (H1820), (S1104))
Havelock High School Softball ..... 830(6(S1133))
Havelock Parks And Recreation ..... 830(6(S1135))
Haven House ..... 830(6(H1715))
Haw River Assembly ..... 830(6(H1757), (S1293))
Hayes Taylor YMCA ..... 830(6(H1526), (S1141))
Hayti Development ..... 830(6(H1428), (H1693))
Headstart of New Hanover ..... 830(6(S1459))
Hector MacLean Public Library ..... 830(6(H1963))
Help is on the Way ..... 830(6(H1580), (H1820))
Henderson Farmers Market ..... 830(6(S1401))

Appropriations:—continued
Henderson Fire Station Renovation ..... 830(6(H1507))
Henderson Rape Crisis ..... 830(6(S956))
Henderson–Vance Drug Enforcement ..... 830(6(H1507))
Hertford Economic Development ..... 830(6(H881))
Hertford Senior Center Annex ..... 830(6(H219))
Hickory Grove Volunteer Fire Department 830(6(H1884))
Hickory Landmarks Society ..... 830(6(S90))
Higgins Agricultural Center ..... 830(6(H1698), (S1194))
High Point Arts Council ..... 830(6(H1944))
High Shoals Youth Center ..... 830(11)
Highland Games ..... 830(6(H1771))
Hillsborough Cemetery ..... 830(6(H1496), (S1294))
Historic Bethabara Park ..... 830(6(S1256))
Historic Caswell Fire Station .... 830(6(H1461), (H1647), (H1820), (S1100)); 876(1(j))
Historic Chapel of Rest ..... 830(6(S1033))
Historic Fort Defiance ..... 830(6(S1033))
Historic Harshaw Chapel ..... 830(6(H1468))
Historic Hope ..... 830(9)
Historic Preservation ..... 830(6(S1033))
Historical Wright Tavern ..... 830(6(H816))
Hobgood Volunteer Fire Department ..... 830(6(H1729))
Hoke Communications ..... 876(1(o))
Hoke Literacy Council ..... 830(6(H1796))
Holly Springs Fire Department ..... 830(6(H2067))
Holly Springs Rural Fire Department ..... 830(6(S1472))
Hollywood Heights Community Club ..... 830(6(H1323), (H1324))
Hope Harbor Home, Inc. ..... 830(6(H1393))
Hope Mills Law Enforcement Building ..... 830(6(H1324), (H1902), (H1914), (H1937), (H2033)); 876(1(p))
Hope Mills Senior Citizens ..... 830(6(H1830), (H1911))
Hope Mills Sunshine Center ..... 830(6(H1898))
Hopkins Rural Fire Department ..... 830(6(H1715))
Horton Park ..... 830(6(H1666))
Hospice of Gastonia ..... 830(6(S976))
Hot Springs Municipal Building ..... 830(6(H1362))
Hot Springs Tourism ..... 830(6(H1364))
Hudson Prison Chapel ..... 830(6(S1030))
Hugo Fire Department ..... 830(6(H1574), (H1820))
Hyde County Volunteer Fire Departments 830(6(S1441))
Individual Development for the Handicapped ..... 830(6(H1980), (S1541))
Ingold Community Building ..... 830(6(H1870))
Interact Crisis Center 830(6(H1697), (H1715), (H2122))
International House ..... 830(6(H1308))
Iredell Adult Learning Center ..... 830(6(H1375))
J. R. Faison Community Center ..... 830(6(S1486))

Appropriations:—continued
Jackson Industrial Development ..... 830(6(S1533))
Jamesville Town Improvements ..... 830(6(S1456))
John Avery Boy's Club ..... 830(6(H1638), (S1155))
Johnston 4–H Try ..... 830(6(H334))
Johnston Central High School Alumni ..... 830(6(H1581))
Johnston Council on Aging ..... 830(6(H1396))
Johnston County School Cultural Arts Program ..... 830(6(H1583))
Johnston County SPCA ..... 830(6(H1583))
Joint Orange–Chatham Community Action ..... 830(6(H1500), (S1055))
Jones Community Action ..... 830(6(H1791))
Jones County Agricultural Center 830(6(H1750), (S1363))
Jones County Senior Citizens ..... 830(6(S1103))
Jones Fire Departments ..... 830(6(H1538), (S1365))
Jones House Renovation ..... 830(6(S1326))
Jordan Law Enforcement ..... 830(6(H1497), (S1262))
Jordan Water ..... 830(6(S1062))
Kannapolis Historical ..... 830(6(H1445))
Kannapolis Senior Center ..... 830(6(H1446))
Katie B. Hines Senior Center ..... 830(6(H1976), (S1420))
Kerr Area Rural Transit System ..... 830(6(S1515))
Keyauwee Center Capital ..... 830(6(S163))
King Outreach Ministry, Inc. .... 830(6(H1699)); 876(1(h))
Kings Mountain Pool ..... 830(6(S996))
Kings Mountain Rescue Squad ..... 830(6(S1001))
Kinston Community Center ..... 830(6(H1460))
Kinston Softball ..... 830(6(H1984))
Kinston/Lenoir Air Show ..... 830(6(S1101))
Kizito Project ..... 830(6(H1422))
Knightdale Park ..... 830(6(H2066), (S1492))
Knotts Island Community Center ..... 830(6(H880))
La Grange Library ... 830(6(H1459), (H1573), (H1820), (S1238))
Lake Tabor Bird Sanctuary ..... 830(6(S1210))
Lake Waccamaw Depot Museum 830(6(H1857), (S1553))
Lake Waccamaw Improvements ..... 830(6(H1853))
Lakeland Cultural Arts ..... 830(6(S1159))
Learning Is Fun ..... 830(6(H2082))
Learning Together, Inc. ..... 830(6(S1411))
Lee County Education ..... 830(6(H1669))
Lee County Hospice ..... 830(6(H1668), (S1003))
Lee County Industries ..... 830(6(H1672), (S646))
Leland Library ..... 830(6(H1405))
Lemon Springs Improvement ..... 830(6(H1671))
Lenoir Boys Club ..... 830(6(H1580), (H1820))
Lenoir County Law ..... 830(6(S1531))
Lenoir County S.A.F.E. ..... 830(6(H1820))

Appropriations:—continued
Lenoir Domestic Violence ..... 830(6(H1596), (H1820))
Lenoir High School ..... 830(6(H1470))
Lenoir School Bands ..... 830(6(S1239))
Licklog Players ..... 830(6(H1608))
Life Enrichment Center ..... 830(6(H1862))
Life Experiences ..... 830(6(H1487), (H1715), (S1400))
Lincoln Arts Council ..... 830(6(S1060))
Lincoln Community Health ..... 830(6(H1642))
Lincoln County Apple Festival ..... 830(22)
Lincoln Cultural Center ..... 830(6(S1038))
Lincoln Wildlife Orphanage ..... 830(6(H499))
Littleton Civic and Senior Citizens
Community Center ..... 830(6(H1509), (H1729))
Livestock Association Scholarship (Wayne) 830(6(H1824))
Loaves and Fishes ..... 830(6(H1618), (H1715))
Long Acre Community Building ..... 830(6(H276))
Look Up Gaston ..... 830(6(H1452), (S964))
Louisburg Beautification ..... 830(6(H1933))
Lowell Recreation/Beautification ..... 830(6(S975))
Lucama Fire Department ..... 830(6(S1375))
Lumbee Regional Development Association 830(6(S1111))
Lumber Bridge Revitalization ..... 830(6(H1725))
Lumberton Downtown Restoration ..... 830(6(H1795))
Macon Fruit Growers ..... 830(6(H417))
Madison Landfill ..... 830(6(H1549))
Madison Library ..... 830(6(H547))
Madison Rape Crisis ..... 830(6(S939))
Madison-Mayodan
Recreation/School ..... 830(6(S1305)); 876(1(y))
Malcolm Blue Historical Society ..... 830(6(S1067))
Manteo Hopeline ..... 830(6(S1349))
Maple Hill Civic Center ..... 830(6(H1872))
Maple Hill Civic Club ..... 830(6(S1457))
Maple Hill Community Center ..... 830(6(H2041))
Marietta/Whitehouse Volunteer Fire
Department ..... 830(6(S1341))
Marion Airport ..... 830(6(H1447), (S1034))
Marlboro Improvement
Association ..... 830(6(H1323), (H1324))
Mars Hill College ..... 830(6(S1180))
Marshall Booster Pump ..... 830(6(H1360))
Marshall Water And Sewer Lines ..... 830(6(H1657))
Martin County Courthouse ..... 830(6(H426), (H1817),
(S1424)); 876(1(b))
Martin County Head Start ..... 830(6(H1626))
Martin County Hospital ..... 830(6(H1817))
Martin County Projects ..... 830(6(H1817))
Martin Fire Department ..... 830(6(S1431))

Appropriations:—continued
Martin Players ..... 830(6(H1626), (H1817), (S1352))
Martin Rescue Squad ..... 830(6(S1428))
Matthews Community Center ..... 830(6(H1973))
Matthews Help Center ..... 830(6(H1970))
Mauney Memorial Library ..... 830(6(S974))
Maury Community Center ..... 830(6(H1731))
Maxton Day Care ..... 830(6(H1955), (S1110))
Maxton Revitalization ..... 830(6(H1919))
McCrorey Branch
YMCA ..... 830(6(H1842), (H2061), (S1282))
McDowell Recreation Center ..... 830(6(H1749), (S1183))
Mecklenburg Fire Departments ..... 830(6(H1475))
Mecklenburg Shelter ..... 830(6(H312))
Mediation Services of Wake ..... 830(6(S644))
Men's Garden Club of Wake County ..... 830(6(H1615))
Mercy Hospital Restoration ..... 830(6(H1125))
Metrolina Association for Blind ..... 830(6(H1686))
Micro Community Building ..... 830(6(S1013))
Military Museum ..... 830(6(H1903))
Mingo Community Building ..... 830(6(S1455))
Minority Business Council ..... 830(6(H1309))
Mint Hill Historical ..... 830(6(H1972))
Mitchell County School Programs ..... 876(1(d))
Monroe Parks ..... 830(6(S1390))
Montgomery County Fire Commission ..... 830(6(H1419))
Montgomery County Historical Society ..... 830(6(H1636))
Montgomery County Hospice Program ..... 830(6(S1224))
Montgomery Library ..... 830(6(H1415))
Montgomery Women's Crisis Council ..... 830(6(H1636))
Moore Respite Care ..... 830(6(S1082))
Moores Creek Battleground ..... 830(6(H2053))
Mooresville Library ..... 830(6(H1469))
Moratoc Park ..... 830(6(S1480))
Mother's Helper ..... 830(6(H2002), (S1330))
Mount Airy Police Radio ..... 830(6(S1304))
Mount Airy Westwood Park ..... 830(6(H1988))
Mount Holly Recreation ..... 830(6(H500))
Mount Olive Rescue Squad ..... 830(6(H1950))
Mount Pleasant Lake and Dam ..... 830(6(S913))
Mountain Area Hospice ..... 830(6(H1519), (S1327))
Murfreesboro Historical Assoc. .... 830(6(H440), (S1074))
Myrover-Reese ..... 830(6(H1899))
Myrtle Grove Center ..... 830(6(S1335))
Myrtle Grove Community Center ..... 830(6(H1978))
N. Brunswick Boosters ..... 830(6(H1560), (S1454))
N.C. Seafood Festival ..... 830(6(S1129))
N.C. Theatre ..... 830(6(H1485))
N.C. Turkey Festival ..... 830(6(S1108))

Appropriations:—continued
N.C. Women's Resource Center 830(6(H1631), (H1715), (H1869), (H2015), (H2099), (S365), (S1020))
N.E. Human Development ..... 830(6(S1316))
Nags Head Woods Preserve ..... 830(6(H1374), (S941))
Nantahala Fire/Rescue ..... 830(6(H1547))
Nash Babe Ruth League ..... 830(6(S1379))
Nash County Cultural Center ..... 830(6(H1755))
Nash Preschool Day Care ..... 830(6(S892))
Nature Science Center ..... 830(6(H1765), (S1257))
Neighborhood Justice ..... 830(6(H2084))
New Hanover Arboretum ..... 830(6(H2046), (S1331))
New Hanover Fire/Rescue ..... 830(6(S1460))
New Hanover Salvation Army ..... 830(6(S1336))
New Hope Volunteer Fire Department ..... 830(6(H1715))
North Granville Emergency Medical Services 830(6(H1504))
North State Law Officers ..... 830(6(H1368))
Northampton High School Printing ..... 830(6(H1665))
Northampton Museum ..... 830(6(S968))
Northeastern Area ..... 830(6(H1665))
Northeastern Tourism ..... 830(6(H440))
Northview Optimist Club ..... 830(6(H1667))
Northwest Day School ..... 830(6(S1414)); 876(1(aa))
Northwest Developmental Day School ..... 830(6(H1588))
Odyssey of the Mind ..... 830(6(S1061))
Ogden Rescue Squad ..... 830(6(H2045))
Old Baldy Lighthouse ..... 830(6(H1400))
Old Depot Association ..... 830(6(H888), (S641))
Old Greensborough Preservation Society ..... 830(6(S947))
Old Tabor School ..... 830(6(H1652))
Old Wilkes, Inc. ..... 830(6(H419))
Onslow Arts Council ..... 830(6(S381))
Onslow Council on Aging ..... 830(6(S376))
Onslow County Museum ..... 830(6(S379))
Onslow Hospice ..... 830(6(S382))
Onslow Peers Program ..... 830(6(S377))
Onslow Phys.-Ed/Band ..... 830(6(H450))
Onslow Women's Center ..... 830(6(S383), (7))
Operation Breakthrough ..... 830(6(H1659), (S1153))
Opportunity Corporation ..... 830(6(H1558), (S1023))
Options to Domestic Violence ..... 830(6(H907))
Orange Arts Center ..... 830(6(H1499), (S1078))
Orange Bicentennial ..... 830(6(H1501), (S1290))
Orange Day Care Services ..... 830(6(H1748))
Orange Library ..... 830(6(H1494), (S1089))
Orange Shelter ..... 830(6(H1491))
Orange Sheltered Workshop ..... 830(6(S1088))

Appropriations:—continued
Orange Street School
Restoration ..... 830(6(H1323), (H1324), (S1028))
Our Community Hospital, Inc.
(Scotland Neck) ..... 830(6(H1729))
Oyster Festival ..... 830(6(H1404), (S1489))
P.A.T.H. ..... 830(6(S1027))
Page Walker Hotel
Restoration ..... 830(6(H1486), (H2070), (S1368))
Pamlico Band/Athletic ..... 830(6(S1122))
Pamlico Fire Department ..... 830(6(H1571))
Pamlico Hospice ..... 830(6(H1575))
Pamlico Rescue Squad 830(6(H1577), (H1820), (S1125))
Pamlico Senior Citizens ..... 830(6(S1124))
Pamlico–Tar River ..... 830(6(S1430))
Parkton Civic Building Repairs ..... 830(6(H1773))
Parmele Senior Citizen ..... 830(6(H1817), (S1117))
Pasquotank Arts Council ..... 830(6(H121))
Pelham Community Center ..... 830(6(S1507))
Pembroke Rescue Squad ..... 830(6(H1725))
Pender Fire Departments and
Rescue Squads ..... 830(6(H2042), (S1477))
Pender High School ..... 830(6(S1537))
Pender Library ..... 830(6(S1478))
Pender School Band ..... 830(6(H2051), (S1537))
Pender School ..... 830(6(S1416))
Pender Senior Center ..... 830(6(H1885), (H2054))
Pender Sheriff Department ..... 830(6(S1538), (S1542))
Pender/Lenoir/Jones Volunteer
Fire Departments ..... 830(6(S1365))
Penn Civic Center ..... 830(6(H1621))
Penn House Center ..... 830(6(S1193))
People Assisting Victims 830(6(H1629), (H1907), (H2036))
Perquimans Blanchard Building ..... 830(6(H380))
Person County Council on Aging ..... 830(6(S1235))
Person Memorial Hospital ..... 830(6(H1506), (S1154))
Person Place ..... 830(6(H1741))
Person Rescue Squad ..... 830(6(H1506))
Person–Caswell Lake Authority ..... 830(6(H1506))
Piedmont Development Center ..... 830(6(S954))
Piedmont Opera Theater ..... 830(6(H1587))
Pilot Mountain Recreation and
Civic Center ..... 830(6(H1994))
Pine Forest Cemetery ..... 830(6(H2047), (S1332))
Pine Level Fire Department ..... 830(6(H1934))
Pinehurst Rescue Squad ..... 830(6(S1286))
Pinetree Enterprises ..... 830(6(S1295))
Pink Hill Business and Professional Club ... 830(6(H1820))
Pitt Band ..... 830(6(H1786), (S1429))

Appropriations:—continued
Pitt Boys' Club ..... 830(6(H1612), (S1351))
Pitt Child Development ..... 830(6(H1847), (S1351))
Pitt County Fire & Rescue Squad ..... 830(6(H1611), (S1385), (S1483))
Pitt County Hospice ..... 830(6(H1591))
Pitt County Projects ..... 830(6(S1351))
Pitt County Tobacco Festival ..... 830(6(H1788), (S1351))
Pitt Educational Foundation ..... 830(6(H1789))
Pitt Family Violence Program ..... 830(6(H1632), (S1351))
Pitt Farm Museum ..... 830(6(H1774), (S1351))
Pitt Historical Society ..... 830(6(H1784), (S1351))
Pitt Hospital Program ..... 830(6(H1801))
Pitt Rescue Building ..... 830(6(H1777))
Pitt Retarded Citizens ..... 830(6(H1782), (S1351))
Pitt School ..... 830(6(H1786))
Pitt Senior Citizens ..... 830(6(H2037), (S1351))
Pitt–Greenville Arts Council ..... 830(6(H1689), (S1351))
Pitt–Greenville Chamber of Commerce ..... 830(6(S1351), (S1497))
Pitt/Edgecombe Volunteer Fire Departments 830(6(S1342))
Pitt/Edgecombe/Wilson Tourism ..... 830(6(S1497))
Pitt/Wilson Arts ..... 830(6(S1474))
Pittsboro Water Tank ..... 830(6(H1493))
Pleasant Garden Community Center ..... 830(6(H1529))
Polk County Hospice ..... 830(6(H1733))
Polk County Jail ..... 830(6(H1439))
Post Detention Advocate ..... 830(6(H1525))
Pregnant Teen Program ..... 830(6(H1528))
Preservation Jazz ..... 830(6(H2077))
Princeton Women Club ..... 830(6(H2032))
Project Care ..... 830(6(H1521))
Public Art Project ..... 830(6(H1551))
Purchasing Medicine for Poor ..... 830(6(H2092))
Radio Reading Services ..... 830(6(H2072), (S901))
Raeford Fire Department ..... 830(6(S1114))
Raeford–Hoke Depot Roof ..... 830(6(H1768))
Railway Historical Society ..... 830(6(H1892))
Raleigh Arts Foundation 830(6(H1179), (H1715), (S201))
Raleigh Downtown Housing ..... 830(6(H2073))
Raleigh Oratorio ..... 830(6(H2091))
Raleigh Programs ..... 830(6(H2080)); 876(1(q))
Raleigh Symphony ..... 830(6(H1480))
Raleigh YMCA ..... 830(6(H2080)); 876(1(q))
Ramseur's Mill ..... 830(6(S1026))
Randolph Hospice ..... 830(6(S1050))
Randolph Mental Health Crisis ..... 830(6(S1267))
Rankin House ..... 830(6(S1033))
Rankin Museum ..... 830(6(S1524))

Appropriations:—continued
Ransom Activity Center ..... 830(6(S1552))
Raynham Town Hall ..... 830(6(H1839))
Red Oak Community Center ..... 830(6(H633), (S1446))
Red Springs Revitalization ..... 830(6(H1772))
Redwood Fire Department ..... 830(6(H1691))
Reentry, Inc. ..... 830(6(H2078))
Rennert Town Improvements ..... 830(6(H1838))
Repertory Company ..... 830(6(H2009))
Rhododendron Festival ..... 830(6(H60))
Richmond Arts Council ..... 830(6(S1529))
Richmond Community Theatre ..... 830(6(S1396))
Richmond Hill Law School ..... 830(6(H612))
Richmond School Guidance ..... 830(6(H1794))
Roanoke Canal Commission ..... 830(6(H1509))
Roanoke Developmental Center ... 830(6(H1398), (S1171))
Roanoke Rapids Library ..... 830(6(H1509), (S1380))
Roanoke Rapids School ..... 830(6(H1509), (S1381))
Roanoke Valley Arts Council ..... 830(6(H1729))
Roanoke Valley Youth Soccer ..... 830(6(S1378))
Roanoke-Chowan Hospice ..... 830(6(H1665))
Roanoke-Chowan S.A.F.E. ..... 830(6(H1665))
Robersonville Hospital ..... 830(6(H1817), (S1423))
Robeson Bicentennial ..... 830(6(S1340))
Robeson Community Center ..... 830(6(H1960))
Robeson County Museum ..... 830(6(H1964))
Robeson Emergency Services ..... 830(6(H1834))
Robeson Little Theatre ..... 830(6(H1840))
Robeson Substance Abuse ..... 830(6(H1954))
Robeson Video ..... 830(6(S1339))
Rockford Preservation Society ..... 830(6(H1896))
Rockingham Arts ..... 830(6(H348))
Rockingham Junior High School ..... 830(6(S1280))
Rockingham Recreation Foundation ..... 830(6(S1226))
Rockingham Retardation Facility ..... 830(6(H1457))
Rocky Mount OIC ..... 830(6(S1475))
Roger Page Center ..... 876(1(s))
Rolesville Recreation ..... 830(6(H1715), (S1514))
Ronald McDonald House ..... 830(6(H1925))
Rose Hill Recreation ..... 830(6(S1362))
Rouse's Group Home ..... 830(6(H1520))
Rowan Community Building ..... 830(6(H1871))
Rowland Library ..... 830(6(S1109))
Rowland Water And Sewer ..... 830(6(H1974))
Ruffin Fire Department ..... 830(6(H591))
Rural Community Networking
Resource Center ..... 830(6(H1715))
Rural Hall Fire ..... 830(6(H1763))
Rutherford Abuse Prevention ..... 830(6(H1435))

Appropriations:—continued
Rutherford Arts Council ..... 830(6(H1437), (S1036))
Rutherford High School Athletic Programs 830(6(H1436))
Rutherford Economic Development ..... 830(6(H1438))
Rutherford Genealogy ..... 830(6(H1724))
Rutherford Hospice ..... 830(6(H1441))
Rutherford Vocational Workshop ..... 830(6(S1039))
Saint Augustine College Educational
Talent Search Project ..... 830(6(H512))
Saint Pauls Community Association
for Progress ..... 830(6(S1502))
Saint Pauls Revitalization ..... 830(6(H1962))
Saint Thomas Preservation ..... 830(6(H2006))
Samaritan Colony ..... 830(6(S1413))
Sampson High School Alumni
Association ..... 830(6(H1807), (H1888))
Sampson Community Theater ..... 830(6(S1045))
Sampson Community Theatre ..... 830(6(H1808))
Sampson Fire Department ..... 830(6(H2044))
Sampson Schools' Arts Enrichment
Programs ..... 830(6(H1810), (S1047))
Sand Castle Children's Home ..... 830(6(S378))
Sandhills Arts Council ..... 830(6(S1081))
Sandhills Hospice ..... 830(6(S1090))
Sanford's Old City Hall ..... 830(6(S619))
Sanlee Care, Inc. ..... 830(6(H1670), (S645))
Santeetlah Center ..... 830(6(S940))
Sawtooth Design Center ..... 830(6(H1678), (S960))
Scarboro Nursery ..... 830(6(H1641))
Schiele Museum ..... 830(6(H1451), (S978))
Scotland Arts Council ..... 830(6(H1769), (H1956))
Scotland Historic Properties ..... 830(6(H1792)); 876(1(i))
Scotland Job Programs ..... 830(6(S1228))
Scotland Literacy ..... 830(6(H1837), (S1388)); 876(1(l))
Scotland Neck Gymnasium ..... 830(6(S1087))
Scotland Neck Volunteer Fire/Rescue ..... 830(6(H1729))
Scuffleton Fire Department ..... 830(6(H1957))
SE Cumberland
Community ..... 830(6(H1908)); 876(1(m)), (1(r))
Seven Springs Area Rescue Squad ..... 830(6)(H1950)
Shalom Homes Of Charlotte ..... 830(6(H2096))
Sheep-Harney Library Book ..... 830(6(H55))
Shelley School ..... 830(6(H1617), (H1715),
(H2125), (S1412), (S1516))
Shepherd's Center Of Kernersvillle ..... 830(6(H1764))
Sheppard Memorial Library ..... 830(6(H1966))
Sherills Ford Library ..... 830(6(H1392))
Siler City Water/Sewer ..... 830(6(H1498), (S1289))
Sixth District Service Project ..... 830(6(H1626))

Appropriations:—continued
Small Farm Marketing .... 830(6(H242), (S1248)); 876(2)
Smith Street Community ..... 830(6(H1823))
Smith-McDowell Museum ..... 830(6(H442))
Snow Camp Drama ..... 830(6(S1437))
Snow Hill Arts ..... 830(6(H2134))
Sourwood Festival ..... 830(6(H535), (S1511))
South Brunswick Boosters' Club .. 830(6(H1560), (S1453))
South Granville Rescue Squad ..... 830(6(H1504))
Southeastern Sickle Cell ..... 830(6(H1977), (S1417))
Southern Halifax Human
Development Council ..... 830(6(H1729))
Special Olympics ..... 830(6(H1948)); 876(1(n))
Spring Hope Library ..... 830(6(H1651)); 876(1(g))
Spring Hope Revitalization ..... 830(6(H1650))
Spring Lake Civic Center ..... 830(6(H1323), (H1324))
Spring Lake Life Line Center ..... 830(6(H1324))
Spring Lake Senior ..... 830(6(H1897), (H1911))
Stanly County Volunteer Fire Department ... 830(6(S1312))
Startown Volunteer Fire Department ..... 830(6(H706))
Stedman Emergency Fund ..... 830(6(H1827)); 876(1(k))
Stedman Water ..... 830(6(H1900), (H1909))
Stedman-Wade Health ... 830(6(H1324), (H1719), (S951))
Stokes County Hospice ..... 830(6(H1699))
Stokes Fire Department ..... 830(6(H1626))
Stokes Projects ..... 830(6(H1699), (S1303)); 876(1(h))
Stokes Senior Citizens ..... 830(6(H1503))
Stokes Sheriff Department ..... 830(8)
Stoneville Park ..... 830(6(H1335))
Stoneville Town Revitalization ..... 830(6(S1301))
Stony Hill Rural Fire Department ..... 830(6(H1715))
Strawberry Festival ..... 830(6(H1854), (S1271))
Sullivan Memorial Library (Enfield) ..... 830(6(H1729))
Surry and Ashe Projects ..... 830(6(H1994))
Surry County Arts Council ..... 830(6(H1994))
Surry Friends of Youth ..... 830(6(H1987))
Swansboro Baseball ..... 830(6(H1318))
Swansboro Fire Department ..... 830(6(H1320))
Sword of Peace ..... 830(6(H1530), (H1751))
Tabor City Chamber ..... 830(6(S1211))
Tabor City Committee of 100 ..... 830(6(S1207))
Tabor City Community Center ..... 830(6(S1273))
Tabor City Courthouse ..... 830(6(H1856))
Tabor City Library ..... 830(6(H1851))
Tammy Lynn Foundation ..... 830(6(H1653), (H1715),
(H2123), (S1406), (S1410))
Tar River Choral and Orchestral ..... 830(6(H1511))
Tarboro Elderly ..... 830(6(S1496))
Taylors Bridge Fire ..... 830(6(S1532))

Appropriations:—continued
The Relatives ..... 830(6(H571))
Theatre in the Park ..... 830(6(H1484))
Thoms Hospital ..... 830(6(H1832), (S915))
Tillery Recreation Facility ..... 830(6(H1729))
Topsail High Band ..... 830(6(H1399), (S1419))
Town of Coats/Anderson Creek
Senior Center ..... 830(6(H1564))
Town of Grifton ..... 830(6(S1321))
Town of Lasker ..... 830(6(H1665))
Transylvania County Arts ..... 876(30.1)
Transylvania Sheriff's Department ..... 830(6(H2113))
Transylvania Youth Center ..... 830(6(H2111), (S1442))
Travel Council of North Carolina ..... 830(6(H1411))
Tri-County Industries ..... 830(6(H506), (S450), (S1475))
Tri-County Services for Abused Spouses ..... 830(6(S1493))
Triad Sickle Cell ..... 830(6(S1145))
Triangle Land Conservancy ..... 830(6(S1370)); 876(1(z))
Troy Park ..... 830(6(H1416), (S1225))
Tryon Genealogical Society ..... 830(6(S1040))
Turkey Town Improvements ..... 830(6(S1093))
Tuscarora Tribe ..... 830(6(H1725))
Tylertown Fire Department ..... 830(6(H1797))
Tyrrell 4-H ..... 830(6(H1718))
Union Community Health ..... 830(6(S1313))
Union County Hospice ..... 830(6(S972))
Union Mission ..... 830(6(S1382))
United Arts Council of Greensboro ..... 830(6(H1313))
United Cerebral Palsy of N.C. ..... 830(6(H1779))
United Negro College Fund ..... 830(6(H2106), (S1143))
United Services for Older Adults ..... 830(6(H1314))
United Tri-County Senior
Citizens ..... 830(6(H1569), (H1605), (H1820))
Urban League ..... 830(6(H2081))
Valleytown Cultural Arts Society ..... 830(6(S1200))
Vance Projects ..... 830(6(H1507))
Vance Senior Center ..... 830(6(H1507))
Vanceboro Parks and Recreation ..... 830(6(S1137))
Veterans' Memorial ..... 830(6(H2005), (S1337))
VFW Housing Project ..... 830(6(S1146))
VFW Post #9826 ..... 830(6(H1877))
Victims Assistance Program ..... 830(6(H986))
Vietnam Veterans Leadership Program ..... 830(6(H1442))
Vietnam-Korean War Memorial ..... 830(6(H58))
Visions, Inc. ..... 830(6(H1512), (S675), (S1496))
Wagram Revitalization ..... 830(6(H1961))
Wake Council on Aging ..... 830(6(H2008))
Wake County Arts Council ..... 830(6(H1893), (S1139))
Wake County Hospice ..... 830(6(H2008))

Appropriations:—continued
Wake County Projects ..... 830(6(H1715))
Wake Fire Department ..... 830(6(H1715), (S1407))
Wake Forest Senior Citizens Center 830(6(H1715), (S1471))
Wake Local Projects ..... 830(6(H2008))
Wake Rehabilitation Services ..... 830(6(S1251))
Wake Respite/Arts Together ..... 830(6(H1868))
Wake Up For Children ..... 830(6(H2027))
Wake/Franklin Seniors ..... 830(6(H1715), (S1471))
Wallace Community Center ..... 830(6(H1553))
Warren County Projects ..... 830(6(H1740))
Warren Courthouse ..... 830(6(H1740), (S895))
Warren Senior Citizens ..... 830(6(H1508), (H1740))
Warrenton Rural Voluntary Fire Association 330(6(H1740))
Washington Chamber of Commerce ..... 830(6(S1517))
Washington City School ..... 830(6(H1656))
Washington County Fire Department ..... 830(6(S1173))
Washington/Beaufort Civic Center ..... 830(6(S1481))
Watauga Historical Marker ..... 830(6(H2024))
Wayne County Firemen's Association ..... 830(6(H1730))
Wayne County Livestock
Development Association Scholarship .... 830(6(H1824))
Wayne County Sheltered Workshop ..... 830(6(H1825))
Wayne County Teacher Awards ..... 830(6(S1162))
Wayne Rescue Squad ..... 830(6(H1950))
Wayne Veterans Monument ..... 830(6(H1676))
Waynesborough Park ..... 830(6(S991))
Waynesville Elderly Housing ..... 830(6(H1366), (S1199))
WCQS-FM ..... 830(6(H961), (S983))
Weaverville/Lake Louise ..... 830(6(H557), (S354))
Wendell Senior Citizens ..... 830(6(H1715), (S1471))
Wesley Hall of Alamance ..... 830(6(H1531), (S1467))
West Brunswick Boosters ..... 830(6(H1560), (S1490))
West End School Park ..... 830(6(S1288))
Western Carolina Rescue Mission ..... 830(6(H1723))
Western Carolina Center ..... 830(6(S1000))
Western Medical Center ..... 830(6(S1252))
Westside Community ..... 830(10)
Weymouth Nature Preserve ..... 830(6(S1066))
White Plains Center ..... 830(6(H1685))
Whiteville Revitalization ..... 830(6(S1214))
Whitsett Community Center ..... 830(6(S1142))
Wilkesboro Cemetery ..... 830(6(H1816), (S1033))
Willarlea Community Building ..... 830(6(H2039))
Wilson Arts Council ..... 830(6(S1474))
Wilson Chamber of Commerce ..... 830(6(S1497))
Wilson Community ..... 830(6(H1129))
Wilson County 4-H Clubs ..... 830(6(S1499))
Wilson Emergency Management ..... 830(6(S1498))

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Wilson Fireman's Association ..... 830(6(S1377))
Wilson OIC ..... 830(6(H511), (S1475))
Winchester School Center ..... 830(6(S1314))
Windsor Historic Restoration ..... 830(6(H1626))
Winston Lake YMCA ..... 830(6(H2105))
Winston-Salem Arts Council .... 830(6(H1983), (H2025), (S1007)); 876(1(u))
Winston-Salem Guidance Center ..... 830(6(S961))
Winston-Salem Little Theatre ..... 830(6(H1677), (S1005)); 876(1(t))
Winston-Salem NAACP Tutorial ..... 830(6(H2083))
Winston-Salem Rescue Squad ..... 830(6(H1766), (S995))
Winston-Salem Status of Women ..... 830(6(S1006))
Winston-Salem Symphony ..... 830(6(H2100), (S973))
Winston-Salem/Forsyth YWCA ..... 830(6(H1589), (H1680), (H2029))
Winterville Historical and Arts Society ..... 830(6(H1802), (S1384))
Winterville Projects ..... 830(6(H1727), (S1384))
Winton Senior Citizen Center ..... 830(6(S969))
Women's Center of Raleigh ..... 830(6(H1306), (H1715), (H2127))
Women's Job Strategy ..... 830(6(H2087))
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